

# The National Life Insurance Writer

LIFE INSURANCE EDITION

Michigan  
Ann Arbor Match  
University of  
General Agency

FRIDAY, JUNE 8, 1934

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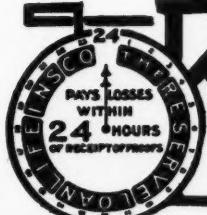
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MAKING A VACATION PAY—CHAPTER I

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# The National Underwriter

## LIFE INSURANCE EDITION

Thirty-Eighth Year—No. 23

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JUNE 8, 1934

\$3.00 Per Year, 15 Cents a Copy

### Too High Liquidity Is Deemed Harmful

Many Actuaries Feel Trend in That Direction Should Be Checked

### CUTS INVESTMENT YIELD

Observers Note Swing in Other Direction Imminent, If Not Already Commenced

NEW YORK, June 7.—Life company investments in U. S. government bonds have more than doubled in the last 12 months, figures of a number of representative companies indicate. Bank balances, also, have increased sharply during that period. There is reason to believe, however, that the swing away from high liquidity of recent months is imminent, if indeed it has not already begun.

There is a feeling among a number of actuaries of larger companies that the process of building up a liquid reserve has gone about far enough and that its further increase would serve only to strengthen a bulwark already proof against any conceivable assault, while cutting needlessly into interest return on investments.

#### Reflection of Tendency

This side of the picture is shown in the movement to shut down on single premium annuity and life policies. The New York Life's recent limitation in this direction is known to be favorably regarded by actuaries of other companies, and it is likely that there will be restrictions by such companies where annuities and single-premium life policies are applied for in amounts sufficiently large to make such a step desirable.

There has been a considerable tendency on the part of the moneyed section of the public to dump its investment problems in the life companies' lap. Unluckily, this tribute to the soundness of these institutions brings with it the necessity of investing the funds so acquired immediately, and at a sufficient rate so that after investment losses are taken care of, net return will be around 4 percent. This has been difficult in view of the high degree of liquidity that companies have been maintaining.

#### High Liquidity Was Needed

When conditions were such that it was desirable to increase liquidity as fast as possible, annuities and single-premium life policies were something of an aid to this end. Their aid, however, was not so great as might be inferred from the huge volume of annuity premiums, for a large part of these contracts had cash withdrawal features which made it necessary to keep highly liquid reserves to meet possible demands made under them.

(CONTINUED ON PAGE 18)

### Great Production Increases in New York Life Campaign

#### GATHERING CLOSES EFFORT

President Buckner Attends Session of Central and Midwest Divisions Held in Chicago

The depression has been whipped and 1934 undoubtedly is the recovery year, President T. A. Buckner of the New York Life stated in the spring roundup meeting of the central and midwest departments held in Chicago. Mr. Buckner was decidedly optimistic over the future. He discussed the company's strong financial position and the makeup of the executive staff, with 24 directors beside himself selected from many walks of life and bringing a wide spread of experience to the company.

R. E. Whitney, inspector of agencies central department, presided jointly with O. P. Carter, inspector of agencies midwest department, and was toastmaster. C. J. Morris, agents' counselor central department and member of the clearing house branch of Agency Director Frederick Bruchholz, was one of the speakers.

#### Large Production Increases

The central department in a three months' campaign which ended with the meeting, wrote \$16,014,000 on an allotment of \$11,215,000, or \$4,799,000 or 142.8 percent over allotment. The midwest department wrote \$9,660,000 with a quota of \$5,900,000.

The northern Illinois branch led the midwest division in paid volume over quota with excess of \$353,000; the Omaha branch in volume, with \$2,134,000, and Waterloo, Ia., second. E. E. Garrett and R. P. Steiglitz, Decatur, Ill., paid for \$144,000 and \$122,000. Fred Hammerquist, Rapid City, S. D., led in number of apps with 87, A. J. Nordin, Chadron, Nebr., second with 67, and W. E. Wadham, Hastings, Nebr., third with 50.

The central branch won the leading position in the central department with an excess in volume over allotment of \$1,159,925. The Bankers building branch won in volume over quota with 200.3 percent.

Individual leaders were R. H. Eisner, central branch, \$235,000; B. L. Treusch, Bankers building branch, \$221,000; A. J. Ehrman, \$215,000, and J. L. Martin, \$203,300, both clearing house branch. Lawrence Kaydan, clearing house branch, wrote 70 applications in the three months. Sam Rowitch, a new agent, wrote \$80,500 in one month.

J. H. Emerson, agent Bankers building branch, who had the outstanding record on a percentage basis with 1,847 percent of quota, introduced President Buckner. Jack Manfield, Bankers building branch, vice-president of the Top Club, wrote \$517,000 in the period and paid for \$402,000, being the leader.

Mrs. Buckner accompanied President Buckner and was presented a sterling silver flower bowl on behalf of the agencies. Mrs. H. R. Helm, outstanding woman producer of the midwest department, making the presentation. Mr. Buckner tendered a dinner to agency directors and their staffs following the meeting.

### O. J. Lacy Named Head of California-Western States

#### MINNESOTA MUTUAL OFFICIAL

Reorganization of Coast Company's Official Family Is Now Completed —New President Happy Choice

O. J. Lacy, executive vice-president of the Minnesota Mutual Life, has been selected for the presidency of the California-Western States Life of Sacramento, Cal., to take the place left vacant by J. Roy Kruse, who resigned several weeks ago as part of the program to reconcile internal dissension. The selection of Mr. Lacy would seem most fortunate, as he is a man of forthright and democratic nature, who naturally rises above company politics and will undoubtedly imbue others with his own spirit. He is hearty and tackles the job ahead of him with a vengeance.

Until a year or two Mr. Lacy's activities in the Minnesota Mutual were confined largely to the agency end, but lately he has been a general officer, with particular charge of investments. He has delved into financial problems in a most intelligent and energetic fashion and has a first-hand knowledge of the mortgage, farm and municipal, county and state bond situation, particularly. He is chairman of the financial section of the American Life Convention and has made it a vital agency. Last winter he arranged for a special meeting of that section in Chicago, at which the current investment problems were reviewed comprehensively from many angles.

(CONTINUED ON PAGE 18)

### Elected President



O. J. LACY

Announcement is made this week of the election of O. J. Lacy as president of the California-Western States Life of Sacramento. Mr. Lacy heretofore has been executive vice-president of the Minnesota Mutual Life and is an outstanding life company official.

### Lackey Is Elected Field Men's Chief

Heads Massachusetts Mutual General Agents Group in Annual Convention

#### SARGEANT IS HONORED

President Ill and Unable to Attend Three Days' Session at Swampscott, Mass.

By RALPH E. RICHMAN

SWAMPSCOTT, MASS., June 7.—The Massachusetts Mutual Life agents held a three-day annual convention here. President William H. Sargeant was ill and unable to accept in person his 50-year service medal. F. C. Sanborn, Boston, made the presentation address and Vice-President Joseph C. Behan accepted the medal on behalf of Mr. Sargeant.

At the first session A. T. Haley, Greensboro, N. C., described the human touches necessary to carry across a life insurance message. Paul Speicher, Research & Review Service, Indianapolis, told of the financial strength of life insurance. W. S. Smith of St. Louis also spoke. A playlet, "How to Become a Successful Agent in Three Easy Lessons," was presented by a home office cast. Home office department heads answered the questions of agents at one session.

G. E. Lackey, Detroit, was elected president of the general agents organization, with L. W. Simon, New York, vice-president, and J. F. Cremen, Washington, secretary-treasurer.

#### New Rate Book Virtues

President George Schumacher, Cleveland, opened Tuesday's session by calling upon Secretary-Treasurer Fritz A. Lichtenberg, Columbus, for his report. Charles W. Hall, Rochester, many of whose suggestions were incorporated in the company's new rate book, then outlined some of its advantages.

During the past year F. Jean Little, Detroit, wrote half his million dollar volume with the family income policy. He explained some of his canvassing methods. Frank T. McNally, general agent Minneapolis, who spoke on the single premium retirement annuity, said too many agents neglect their self sacrificing insurance buyers and should use greater efforts to afford more protection to the majority of men who do not die before 55. John W. Yates, Los Angeles, repeated the inspirational address on correct mental attitude which he had given before the general agents last week.

The final speaker Tuesday morning was Vice-president Bertrand J. Perry who outlined the investment policy of the company. Two playlets provided sales ideas as interludes to the addresses.

(CONTINUED ON LAST PAGE)

# Interesting Information on the New Federal Taxation Amendments

The "Estate & Tax News" of the Harris Trust & Savings Bank of Chicago gives some important information regarding the new federal tax laws. As to the increase in federal estate taxes, the bank declares that each of the past two federal revenue acts has indicated a strong inclination on part of the government to augment its revenues by imposing higher estate taxes. In the following table is shown how much more the federal estate taxes are now than they were before the enactment of the revenue act of 1934 and that of 1932!

Table Is Given Showing Increase in Federal Tax

I Taxable Estate	II Estate Tax Revenue	III Estate Tax After Revenue	IV Estate Tax Before Revenue
Act of 1934	Act of 1932	Act of 1932	Act of 1932
\$60,000	\$100	\$100	\$0
70,000	300	300	0
80,000	600	600	0
90,000	1,000	1,000	0
100,000	1,500	1,500	0
120,000	2,900	2,900	200
150,000	5,600	5,000	500
250,000	17,600	14,000	3,000
450,000	49,600	36,000	10,500
650,000	87,600	62,000	20,000
850,000	131,600	92,000	31,500
1,050,000	181,600	126,000	45,000
1,550,000	321,600	221,000	84,500
2,050,000	476,600	326,000	129,000
2,550,000	646,600	441,000	178,500
3,050,000	821,600	566,000	233,000
3,550,000	1,031,600	701,000	292,500
4,050,000	1,246,600	846,000	357,000
4,550,000	1,476,600	1,001,000	426,500
5,050,000	1,716,600	1,166,000	496,500
6,050,000	2,216,600	1,516,000	646,000
7,050,000	2,736,600	1,886,000	805,500
8,050,000	3,276,600	2,276,000	975,000
9,050,000	3,836,600	2,686,000	1,154,500
10,050,000	4,416,600	3,116,000	1,344,000

Column I shows the taxable estate after deducting all expenses, etc., but before taking the specific exemption.

Column II shows the tax payable under the law as it stands today (after the passage of the Revenue Act of 1934 which became effective as of May 11, 1934). An exemption of \$50,000 has been taken in arriving at the tax.

Column III shows the tax payable under the law as it stood before the passage of the 1934 Act, but after the passage of the 1932 Act. This column applied to estates of decedents dying after June 6, 1932, but before May 11, 1934. An exemption of \$50,000 has been taken in arriving at the tax.

Column IV shows the tax payable under the law as it stood before the passage of the Revenue Act of 1932. An exemption of \$100,000 has been taken in arriving at the tax.

A credit for death taxes paid to the states is allowed up to 80% of the estate tax as computed under the Revenue Act of 1926. To find the maximum credit against the taxes shown in the table, take 80% of the figures shown in Column IV.

So far as the gift tax is concerned, it was the purpose of the 1932 act to impose a tax upon gifts equal to approximately 75 percent of the estate tax that would have been payable on the donor's death if the gift had not been made. It

## Wisdom of Insuring Head of College Demonstrated

The College of William & Mary carried \$150,000 insurance on the life of Dr. J. A. C. Chandler, its president, who died last week, the insurance being apportioned among four companies, the Equitable of New York, Prudential, Aetna and Pacific Mutual.

When the insurance was taken eight years ago, the authorities of the college, a state institution, were subjected to considerable criticism because of a prevalent opinion that they were not justified in expending funds for that purpose.

Due to the fact that \$18,800 had since been borrowed against the insurance for application to college purposes, the college will actually get \$131,200 in settlement of the claim.

naturally followed that changes in the federal estate tax rates would be accompanied by changes in the gift tax rates. A few additional changes were made in the gift tax law. The specific exemption of \$50,000 still stands as does the provision that in each calendar year the first \$5,000 of gifts to any person, except gifts of future interests, are not to be included in the amount of gifts made during the year.

The Harris Bank states that the omission of four words in the section of the new income tax law dealing with taxation of income from revocable trusts closes up another loophole in the law through which savings in taxes were formerly possible. Prior revenue acts have provided that "where at any time during the taxable year" the grantor of a revocable trust had the right to obtain title for himself to any part of the trust property, the income from such part of

the trust was taxable to the grantor.

Now the words "during the taxable year" have been omitted. With the omission of these words from the statute, income from a revocable trust is taxable to the grantor, whether or not notice of a revocation is required. The only condition under which income from a revocable trust is not taxable to the grantor today is if the consent of a person having a substantial adverse interest in the disposition of the corpus of the trust or the income therefrom is required to effect the revocation.

The Harris Bank in treating how annuities will be taxed in the future says:

"Annuities have lost much of the advantage which they have enjoyed in respect to the income tax. Prior income tax laws have always provided that payments on an annuity contract are exempt from income taxation until the amounts received equal the principal

paid for the annuity; thereafter all payments are taxable as income for the year in which received. Accordingly, in most instances annuitants have received annual payments for at least ten years before any part of the payments became subject to tax. From a practical standpoint, therefore, annuities in the past represented a tax-free investment for a period of years.

### New Revenue Act Brings Changes as to Annuities

"The new revenue act changes all this. The subcommittee of the ways and means committee of the House found fault with the theory upon which the old rule was based—that payments were a return of capital until a sum equal to the original sum paid for the annuity was received—and expressed a belief that such receipts are as a matter of fact part interest and part return of capital. It therefore recommended that some amount, representing the portion of the annuity receipts consisting of interest, be made subject to the income tax and suggested that 3 percent of the amount paid for the annuity shall be deemed to be interest. The new revenue act of 1934 adopts the suggestion of the subcommittee.

"The new law continues the policy of permitting the annuitant to recoup his original cost tax free, but requires him to include in his gross income a portion of the annual payment in an amount equal to 3 percent of the cost of the annuity. For example, if the cost of an annuity was \$10,000, the annuitant would be required to include in his gross income \$300 of each annual payment. The amount of each annual payment in excess of \$300 would be exempt until the aggregate amount excluded from gross income under the revenue act of 1934 or prior income tax laws equalled the aggregate premiums or consideration paid. Thus, on an annuity which cost \$10,000, the annuity payments would be taxable in their entirety after the sum of all the amounts which previously had been excluded from income equalled \$10,000. These rules would apply to annuity payments received in 1934 and subsequent taxable years, regardless of when the annuity was purchased."

### Comment Is Made on the New Income Tax Law

In speaking of the new income tax law, the Harris Bank states that the government has revived the principle adopted in the early income tax act, viz., a single normal tax rate and graduated surtax rates. The 1934 act provides for a normal tax of 4 percent, applicable in the case of citizens and residents to the amount of net income in excess of personal exemptions and credits. The old law imposed a normal tax equal to 4 percent on the first \$4,000 of net income in excess of personal exemptions and credits plus 8 percent on the balance over \$4,000.

The new law imposes surtaxes on "surplus net income" over \$4,000, "surplus net income" meaning the amount of net income in excess of the personal exemption and credit for dependents. A further change in the basic structure is the inclusion of an earned income credit provision similar to that which appeared in 1924, 1926 and 1928 acts. It is based on the principle that moderate earned premium should bear a somewhat lower tax than investment income of equal size.

According to reports of the committees of the House and Senate which framed the bill, the new income tax rate structure offers the following advantages: (1) simplification, (2) increased taxes on dividends, (3) increased taxes on partially tax exempt interest.

## Non-Admitted Firms Active in Pennsylvania Listed

The Pennsylvania department has gotten out a list of concerns operating in that state without being licensed. Most of them are mutual benefit assessment outfits, coming from all over the country. They use the mails, radio advertising and other means to get in touch with people in states in which they are not admitted. The companies listed by the Pennsylvania department are as follows:

Alliance Mutual Life, Santa Ana, Cal.  
Allstate Fire, Chicago.  
Allstate Insurance Company, Chicago.  
American Aid, South Bend, Ind. (Pittsburg, Texas.)  
American Aid, Willow Hill, Ill. (Pittsburg, Tex.)  
American Life, Hollywood, Cal.  
American Protective, Pueblo, Colo.  
Bankers Guaranty Life, Sedalia, Mo.  
Bankers Health & Accident, Houston, Tex.  
Capital Mutual Benefit, Denver.  
Capital States Benefit, Willow Hill, Ill.  
Catawba Benevolent Association, Newton, N. C.  
Colonial Mutual Life, Los Angeles.  
Commercial Travelers Mutual Accident, Utica, N. Y.  
Conservative Benefit.  
Continental Benefit, Camden, N. J.  
Cosmopolitan Benefit, Chicago.  
Covenant Mutual Benefit, Lawrenceville, Ill.  
Economic Benefit, Minneapolis.  
Economic Mutual Life, Los Angeles.  
Family Benefit, Minneapolis.  
Family Mutual Benefit, Phoenix, Ariz.  
Family Protective.  
Farmers Home Benefit.  
Federal Aid Society, Cedar Rapids, Ia.  
Federal Beneficial, Camden, N. J.  
Federal-Postal Employees Association, Denver.  
Fidelity Life (formerly Mystic Workers), Fulton, Ill.  
Fidelity Mutual Benefit, Rockford, Ill.  
First National Indemnity, Omaha.  
First National Life, Houston, Tex.  
Fraternal Mutual Aid, Salt Lake City.  
Fraternal Mutual Benefit, Salt Lake City.  
Golden Hour Benefit, Minneapolis.  
Great Northern Estate, Rockford, Ill.  
Great Northern Protective.  
Great States Life, Hollywood, Cal.  
Great Western, Des Moines.  
Guarantees National Union.  
Hoosier Co-operative Benefit Association.  
Illinois Commercial Men's, Chicago.  
Illinois Traveling Men's Health, Chicago.  
Imperial Protective Union, Shreveport, La.  
Inter-State Life, Hollywood, Cal.  
Lincoln Aid, Chicago.  
Lincoln Mutual Aid, Chicago.  
Lloyds, London.  
Ministers' Casualty Union, Minneapolis.  
Mutual Benefit Health & Accident, Omaha.  
Mutual Life & Loan, Dallas.  
Mutual Professional, Chicago.  
National Accident, Springfield, Ill. (Colorado Corp.)

National Aid, Springfield, Ill. (Colo.  
rado, Indiana and Florida.)  
National Benefit Accident, Des Moines.  
National Guaranty Mutual, Phoenix, Ariz.  
National Home Union, Washington, D. C. (took over Mercantile Reserve Life of Dallas, Tex.).  
National Indemnity, Shreveport, La. (Washington, D. C.)  
National Protective Union, Denver.  
National Security Life, Beverly Hills, Cal.  
National Union Benefit, Willow Hill, Ill.  
National Union Indemnity, Washington, D. C.  
National Protective Life, Kansas City, Mo. (National Protective Ins., Kansas City, accident and health branch.)  
New England Reserve Life, Kansas City.  
North American Benefit, Wilmington, Del.  
North American Mutual Life, Santa Ana, Cal.  
Old Faithful Mutual Benefit.  
Pacific National, Beverly Hills, Cal.  
Pacific States Life, Denver.  
Penn-Jersey Beneficial, Camden, N. J.  
Physicians' Casualty, Omaha.  
Postal Life, New York.  
Postal Life & Casualty, Kansas City, Mo.  
Postal Mutual Benefit, Phoenix, Ariz.  
Postal Mutual Life, Los Angeles.  
Physicians' Health & Accident, Houston.  
Physicians' Protective Casualty, Indianapolis.  
Provident Aid Society, South Bend, Ind. (Incorporated in N. J.)  
Protection Benefit, Minneapolis.  
Prudence Mutual Benefit, Jersey City, N. J.  
Pyramid Protective, Newark, N. J.  
Reconstruction Benefit, Minneapolis.  
Sportsmen's Mutual, Washington, D. C.  
Standard Mutual Benefit, Indianapolis, State Benefit.  
State Protective, Indianapolis. (Miami, Fla.)  
State Mutual Benefit, Phoenix, Ariz.  
States Mutual Aid, Mishawaka, Ind.  
Sterling Security Life, Beverly Hills, Cal.  
Sterling Casualty, Chicago.  
Sunset Casualty, Los Angeles.  
Sunset Accident, Los Angeles.  
Superior Life & Casualty, Kansas City, Mo.  
Surety Life, Kansas City, Mo.  
TBA American Benefit, Lafayette La. (Gainesville, Fla.)  
TBA Benevolent, Lafayette, La.  
Travelers Health Association, Omaha.  
Union Aid, Los Angeles.  
Union Auto Club of America, incorporated under the laws of Illinois.  
Union Mutual Life, Des Moines.  
United American Benefit, Willow Hill, Ill.  
United Benefit, Shreveport, La.  
United Mutual, New Orleans.  
Universal Mutual Benefit.  
Universal Protective, South Bend, Ind.  
United States Association & Universal, Beverly Hills, Cal.  
Wabash Valley Mutual Benefit, Lawrenceville, Ill.  
Western Funeral Benefit, St. Louis.  
World Life & Benefit, Los Angeles.

## Persistency Held Essence of Profit

L. J. Doolin Talks at Massachusetts Mutual General Agents' Meeting

### CONSERVATION IS TOPIC

Every Agency Needs to Keep Business on Its Books in Order to Make Money

The essence of profit in the life insurance business is persistency of business, according to L. J. Doolin of the Sales Research Bureau, who spoke before a meeting of Massachusetts Mutual Life general agents at Swampscott, Mass., on "Does Conservation Pay?" New paid business is, of course, necessary and that business should be secured at a favorable cost, said Mr. Doolin, but persistency is the biggest single factor in agency profits. Frequently general agents are apt to minimize the importance of business "staying on the books" and feel that time devoted to conservation detracts from the total of new business produced and is more or less wasted energy.

"A general agent is in the position of needing to conserve business in order to make money," Mr. Doolin declared. "A company can offset losses from lapses to some extent by adequate surrender charges—a general agent has no such recourse. He has no choice but to reduce lapses to a minimum in order to insure his profits. Whether or not a general agent thinks conservation of business pays in the long run, he is more or less required to keep business in force if he is interested in his profits."

#### Uses Hypothetical Cases

In order to emphasize the importance of persistency in the business of a general agent, Mr. Doolin used the 20 year record of three hypothetical agencies as examples. The production of each was the same each year, starting at \$500,000 the first year and increasing until a production of \$5,000,000 was reached the 16th year and continued at this level through the 20th year, making a total of \$68,900,000 for the 20 years. Each general agent was assumed to have produced \$100,000 of personal business annually, this being included in the figures given above. Unearned or forfeited renewal commissions on 20 percent of the agents' business for each general agent were assumed.

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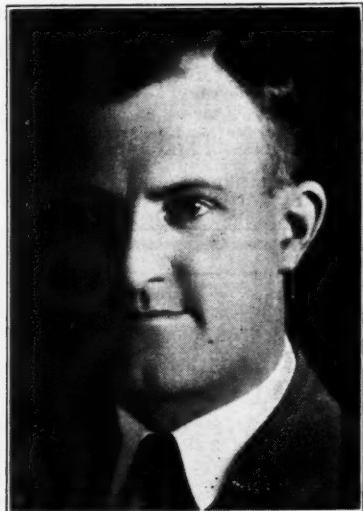
### Farm Products Used as Basis for New Policies

**DES MOINES**, June 7.—Milo Reno, president of the Farmers Union Life of Des Moines, in a radio address announced the issuance of life insurance policies in which premiums and benefits will be paid in farm products in lieu of cash. Mr. Reno said the new style policy will be a "stabilizing factor in the farmer's buying power." Premiums will be payable in wheat or corn without regard to price and the measure of compensation will be on the basis of bushels. Beneficiaries will be paid in the same commodities. The Farmers Union Life president also is president of the Farmers National Holiday Association.

## At Helm of Michigan Life



W. G. BEAUMONT



A. A. SPEERS

W. G. Beaumont has been elected first vice-president and general manager of the Michigan Life to fill the vacancy caused by the death of L. T. Hands. He entered life insurance in 1907 with the Michigan Mutual Life and at the time of its sale to the National Life, U. S. A., of Chicago was assistant secretary and a director. He later became assistant secretary of the National Life, U. S. A., and resigned to assist Mr. Hands in organizing the Michigan Life, being one of the original incorporators and its secretary from the beginning.

A. A. Speers is elected secretary in addition to his duties as actuary. He was formerly actuary and director of

the Toledo Travelers Life, Toledo, O., and prior to that was actuary of the Michigan department. He is a graduate of the University of Toronto, a fellow of both the Actuarial Society of America and the American Institute of Actuaries and an associate of the Casualty Actuarial Society. He began with the Michigan Life shortly after its incorporation in 1927.

A. F. Pudrith of Detroit, a director and member of the executive committee, was elected vice-president.

**J. P. Devine** agency, Union Central, Cincinnati: May production an all-time record of \$3,013,242; 16 men and women produced over \$100,000 for amounts up to \$350,000 down to \$100,000.

## "THE LIFE OF REILEY"

The appended letter gives a picture from life of the contentment of mind and the enjoyment of leisure which you describe when attempting the sale of Annuities to the elderly. There's sales power in such a story. The Annuitant says:—

When I retired from business I invested half of my capital in annuity insurance, placing same with the large companies of the U. S., which naturally included you. This is to advise you how pleased I am with my choice of this mode of income for the balance of my life. My wife and I have been traveling the past few years, and we are about to make another tour around the world. I have no care nor worry, knowing my annuity checks will reach me on the anniversary of my birthday, making it "a happy birthday," no matter in what part of the world it may be. No matter how the stock or bond markets fluctuate, my income will be forthcoming. I highly recommend annuity policies to those desiring to live the "Life of Riley."

The care-free Mr. Reiley, of long and happy memory, still lives in the spirit of this day's Annuitants.

### THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

## Wonderful Book Will Be Out Soon

Unique Manual-Digest with Vast Store of Information Ready About June 15

### 1934 EDITION IMPROVED

Only Reference Work Published That Gives Such Complete Data on All Companies

By L. H. MARTIN  
Manager Book Department, The National Underwriter

The new 1934 edition of the one and only life insurance statistical reference book that covers all legal reserve life companies and all classes of information about them and the contracts they write, the Unique Manual-Digest, will be off THE NATIONAL UNDERWRITER press within the next few days.

The "Unique Manual" is unique in that it is the only reference work from which is obtainable comprehensive information about all five of the main classes of life insurance company and policy information. It presents in one volume (1) a financial and business report of every company, (2) a standardized analysis of each company's contracts, (3) a comprehensive synopsis of each company's rate book (including surrender values), and (4) a detailed summary of all dividend books with net cost illustrations. In addition to these four general subjects, the "Unique Manual" includes a section providing general information about every company, and also the main reserve tables and many miscellaneous tables.

#### Immense Store of Information

While other reference books include some of the above information, there is no other source of all these facts and figures in one volume. For instance, the "Unique Manual" provides four times the amount of data found in our own widely known Little Gem Life Chart. The "Unique Manual" is so complete that many subscribers tell us they frequently have made up a complete program of a client's life insurance directly from the "Unique Manual" without reference to actual policies.

The financial and business report section of the "Unique Manual" breaks down each company's report into 62 significant items, presented in tabular form not only to conserve space but also to allow much easier reference to individual items from each statement. This is section IV of the new 1934 edition.

#### Standardized Policy Analysis

Section I, the policy-rate-dividend-cost and value section, contains a number of improvements this year. Each contract is broken down into standardized paragraphs from which all important points can be quickly located without the trouble of reading an entire contract. Special practices (not written in the contract) are also covered on these pages.

For the larger companies, information about which is most frequently needed, rates are now given at every age for as many as 48 contracts; ordinary life dividends are now shown at every age, cash values at every age and for 20 years including at age 65. New tables of settlement options have been added.

Section II presents the new up-to-date rates on immediate annuities in full, giving amounts \$1,000 will purchase,

(CONTINUED ON PAGE 17)

## Program of Medical Section

The Medical Section of the American Life Convention has completed its program for its annual meeting at the Homestead, Hot Springs, Va., June 14-16. The business sessions will occupy three mornings and during the afternoons golf will be indulged in with Dr. Henry W. Cook, Northwestern National Life, being golf chairman.

The executive committee of the American Life Convention will meet during

the week, President F. V. Keesling being on hand from San Francisco.

The program for the business meetings is as follows:

### Thursday, June 14

Chairman's Address, Dr. John R. Neal, medical director and secretary-treasurer Abraham Lincoln Life, Springfield, Ill.

Greetings from the president of the American Life Convention.

Greetings from the president of the

### Association of Life Insurance Medical Directors.

Paper: "Syphilis and Life Insurance," Dr. A. F. Hall, Jr., assistant director life conservation division, Lincoln National Life.

Discussion—Dr. Charles E. Rein, New York City; Dr. J. Travenerick, Jr., medical director Life & Casualty, Nashville, Tenn.

Paper: "Mortality in Diabetes from the Clinico-Pathological Standpoint," Dr. R. C. Voss, assistant medical director Pan-American Life; Dr. Aldean Maher, director Pan-American Laboratory and assistant pathologist Hotel Dieu.

Discussion—Dr. A. J. Robinson, medical director Connecticut General Life; Dr. John B. Nichols, medical director Acacia Mutual Life.

### Friday, June 15

Symposium: "The Disability Clause in Life Insurance as We See It in 1934."

1. The Underwriting Standpoint, Dr. McL. C. Wilson, medical director group and accident department, Travelers.

2. The Legal Aspect, Berkeley Cox, associate counsel Aetna Life.

3. The Inspection, John J. King, president Hooper-Holmes Bureau.

4. The Claim Adjuster, W. I. Morrow, assistant secretary Aetna Life.

5. The Doctor's Suggestion, Dr. Irving J. Spear, professor of neurology University of Maryland, Baltimore.

### Saturday, June 16

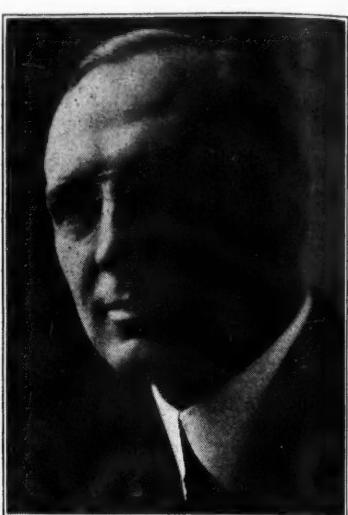
Paper: "Electrocardiography as a Diagnostic Adjunct in the Angina Syndrome," Dr. F. A. Willius, associate professor of medicine, University of Minnesota, head of the cardiac department, Mayo Clinic.

Discussion—Dr. Albert Seaton, medical director American Central Life; Dr. C. N. McCloud, medical director Minnesota Mutual Life.

Paper: "A Consideration of the Cause and Pathological Effects of Hypertension," Dr. H. H. Shook, medical director Ohio National Life.

Discussion—Dr. Carl Lovelace, medical director Amicable Life, Waco, Tex.; W. H. Dallas, assistant vice-president Aetna Life.

## Presides Over Actuarial Gathering in Chicago



T. A. PHILLIPS

T. A. Phillips, president of the Minnesota Mutual Life, is presiding this week over the sessions of the American Institute of Actuaries in Chicago. He was recently elected president of the American Institute to fill the vacancy caused by the death of F. B. Mead.

## Unethical Agents Put on Warning in South Carolina

Commissioner King of South Carolina has issued a ruling to the effect that any agent who makes derogatory statements regarding the financial standing of, or uses unauthorized, false or incomplete figures to the disadvantage of, or disseminates libel in pamphlets or publications against any company duly qualified to transact business in the state shall be subjected to an immediate rule to show cause why his license should not be revoked.

Furthermore, Mr. King has laid down stringent rules for the governance of industrial agents.

Such agents are not permitted to accept any money in payment of premiums which are in arrears on industrial policies that have lapsed and which the insured seeks to reinstate, unless the insured is enabled thereby to reinstate the policy. In other words, it is not permissible for an agent to collect a part of premium in arrears and hold the money until he is able to collect the balance due.

It is not permissible for an agent to have in his possession any policy issued by a competing company unless he is the sole and unconditional owner, and in the latter event he is forbidden to exhibit it, for the purpose of making a comparison with the policies he has for sale.

It will be considered twisting for an agent to call for policies and receipt books issued by competing companies in order to compare them with his own for the purpose of causing a policyholder to drop the policy of the other company so as to write a policy in his own company.

Agents are not permitted to display any literature which may react to the detriment of any company licensed in South Carolina.

### Tax Exemption Is Voted

FRANKFORT, KY., June 7.—An amendment exempting all insurance companies from paying income tax, contained in the bill pending before the Kentucky legislature, was adopted by the senate committee on revenue and taxation.

## Consistent Growth



### *Income from all sources*

1924 . . . . .	\$33,689,000
1925 . . . . .	36,396,000
1926 . . . . .	39,517,000
1927 . . . . .	43,854,000
1928 . . . . .	47,342,000
1929 . . . . .	50,685,000
1930 . . . . .	53,268,000
1931 . . . . .	56,207,000
1932 . . . . .	58,123,000
1933 . . . . .	63,124,000



## NEW ENGLAND MUTUAL Life Insurance Company

GEORGE WILLARD SMITH, President

BOSTON  
Mass.

AGENCIES IN SIXTY CITIES



## Procedure in Rehabilitating Continental Life Announced

### O'MALLEY IS NOW IN CHARGE

**Appeal Will Not Act as Supersedeas—Pay Death Claims in Full, Moratorium on Policy Loans.**

ST. LOUIS, June 7.—Under the rehabilitation plan approved by Judge Ryan, the Continental Life will immediately pay in full all uncontested death claims that were unpaid or have accumulated since the filing of Superintendent O'Malley's receivership suit Jan. 3. The company's appeal from the court order declaring it insolvent will not act as a supersedeas. The Missouri department will be in charge pending decision on the appeal and will proceed with the rehabilitation under the new Missouri laws that went into effect April 12.

The superintendent is authorized to continue in force all outstanding policies of the company, and all policies re-insured by it, under such conditions as the court may approve, but he is not required to issue any new policies except as provided by the court's order. He is permitted to incur all necessary expense during the rehabilitation period and to receive all premiums and other income for the company. He will continue all life contingency payments in cases where the insured prior to his death provided that proceeds should be paid to beneficiaries over a period of years.

#### Moratorium on Policy Loans

Claims on endowment contracts that have matured through the lapse of the endowment period and all supplemental contracts are to receive a 50 per cent payment, the balance being withheld subject to further court orders. On sums left on deposit at interest and subject to demand, a 60-day waiting period is provided after demand for payment, and then only 33 1/3 per cent is to be paid, the balance to be held subject to court order.

A moratorium is declared on all policy loans and cash surrenders, except that policy loans may be made for payment of premiums or payment of interest on debts due the company under other policies held by the borrower. Payments under disability provisions of existing policies are to be reduced 50 per cent for the time being.

The superintendent is authorized to receive applications for paid-up and extended term insurance under the provisions of existing policies.

Under the court's order the superintendent is not compelled to adhere to the terms of any existing contracts with agents of the company. However, he can arrange to pay them a collection fee in return for their aid in the conservation of the business now on the books.

He is also directed to make a full and complete appraisal and valuation of all assets, to ascertain the company's exact financial status.

#### No Reinsurance Move Now

While the authorization to incur expenses necessary in the rehabilitation of the company includes the costs incident to any reinsurance treaty effected with any solvent life company, it is probable that the Missouri department will take no active step toward reinsurance until the Missouri supreme court passes on the appeal from Judge Ryan's decision.

In order that no preference may be shown or permitted to arise in favor of the policyholders or creditors in any particular state, it is provided in the rehabilitation plan that should premiums due to the Continental Life or the assets of the company in any state be impounded by the courts of such state, Superintendent O'Malley has the right to withhold the benefits accruing to the policyholders in such states. Superintendent O'Malley contemplates calling a

## New Heads of Knight Agency



P. S. RANCK



W. E. BARTON

NEW YORK, June 7.—Coincident with the announcement that W. E. Barton and P. S. Ranck had been elected president and vice-president respectively of the Charles B. Knight Agency, Inc., of the Union Central Life in New York City, it was revealed that the agency paid in May for the largest volume of business in any month in its history, a total of \$6,573,000 in life insurance and annuities, with a submitted total running in excess of \$16,000,000.

Mr. Barton succeeds the late C. B. Knight, whose recent death deprived the life insurance business of one of its honored personages. Mr. Ranck succeeds Mr. Barton as vice-president, re-

taining also his previous title of secretary-treasurer. It was also announced that Maurice Ziff, agency assistant, had been made assistant manager.

Prior to last month the largest paid-for record was that of January, 1926, when a total of \$5,800,000 was rolled up. The largest previous submitted figure was \$7,500,000, in May, 1929. Herman Stark led in personal paid-for production last month with \$534,750.

Announcement of the changes in the agency official lineup was made by Vice-president Jerome Clark of the home office, who addressed a meeting of the agency and congratulated the agents on their fine May record.

## Equitable Rule Against General Agents Modified

At the annual meeting of the General Agency Association of the Equitable Life of New York at Atlantic City, Vice-President W. W. Klingman announced that the company is now prepared to develop the managerial staff under new general agency as well as agency manager contracts. Plans were made therefore to modify the association by including both agency managers and general agents as members. E. M. Crutchfield of Richmond, Va., is president of the association and T. B. Sweeney of Wheeling is secretary.

The Equitable's action in opening up possibilities of general agency appointments, it is said, does not mean that the company plans to make these on a wide scale. It is said some 30 of the company's approximately 100 agencies in this country are general agencies dating back to and before 1914, when the company ceased appointing general agents and went on a managerial basis.

The recent modification of this policy was made in response to a feeling in the field that otherwise general agencies might run off with the death of present general agents. A number of these have sons to whom they wanted their general agencies to go. Under the change such appointments will be made in a limited way. It is also possible that a select few outstanding Equitable producers may, if they desire, be appointed general agents from time to time.

conference with the commissioners of some other states to discuss the affairs of the Continental Life and methods of effecting its complete rehabilitation with a minimum of delay. In this way he hopes to avoid much of the litigation that has handicapped the solving of the financial problems of other companies.

## Michigan Department Hot on Unlicensed Outfits' Trail

### AFTER THE MUTUAL BENEFITS

**Many Operate in the State, Claiming They Are Not Insurance Companies**

LANSING, MICH., June 7.—Continued activities in this state of the Prudence Mutual Benefit of Jersey City, N. J., resulted in a conference between R. M. Morse, head of the agency licensing division of the Michigan department, and Wayne county prosecutor's office investigators. It was discovered that Carl Schad, Lincoln Park, has been representing this organization, directing activities of several sub-agents. Schad was called in and threatened with prosecution unless he discontinues all solicitation. He promised to sever all connections with the New Jersey organization.

#### Permit Was Cancelled

The Prudence Mutual is the organization which, some months ago, was summoned for a hearing by the department of state to determine why its authorization should not be withdrawn. The society had come into the state through the secretary of state's office rather than through the insurance department under a special statute which permits operation, without insurance department supervision, of mutual benefit societies paying death benefits up to \$150. It was learned, however, that the New Jersey society's contracts called for benefits up to \$1,000 and it manifestly should qualify as an insurance organization. The citation failed to bring a representative to Lansing and the secretary of state promptly cancelled its authority. The insurance department learned later, however, that activities were little, if any, altered, so the investigation was launched.

#### National Aid's Position

Better business bureaus are "the biggest leech on the markets of today," in the opinion of A. C. Littlejohn, secretary of the National Aid Society of Springfield, Ill., according to a letter in the possession of the Michigan department sent to a dissatisfied beneficiary under one of its death benefit certificates. The Michigan department has been one of the most active crusaders against pseudo-insurance carriers which have been actively soliciting business in this state, mainly through the mails, but occasionally by direct representatives. The department has recently received information that one of these representatives is at work in the Detroit area and law enforcement agencies have been set in motion to bring about his early arrest. It is considered probable that his apprehension would mean a test of these societies' contention that they are not "insurance companies" and are not subject to the supervisory provisions of the insurance laws.

## Canadian Conservationists Elect

R. J. Wood, Imperial Life, Toronto, was elected president of the Life Insurance Conservation Association at the annual meeting at London, Ont. R. B. Wallace, Manufacturers Life, becomes honorary president; R. T. Boyes, Excelsior Life, first vice-president; J. P. Devenny, Mutual Life of Canada, second vice-president; B. R. Modeland, London Life, member of the executive committee, and W. R. Dodd, Empire Life, secretary-treasurer.

### Actuaries to Hold Outing

The Chicago Actuarial Club will hold its annual outing June 19 at Medinah Country Club. Play will start at 1 p.m., and dinner will be held at the club, when prizes will be awarded. G. W. Myers, Federal Life, is chairman golf committee.

## Chairman of Milwaukee Convention Committee



ALVIN MOSER

The general activities in Milwaukee in connection with the meeting of the National Association of Life Underwriters in that city Sept. 24-28 are in charge of Alvin Moser, general chairman of the local committee.

Mr. Moser has been connected with only one company—the Aetna Life. He started as a clerk in the Kansas City office in 1918 and was transferred to Milwaukee as cashier in 1925. Two years later he was appointed supervisor, the position which he now holds.

Mr. Moser served as the first secretary of the reorganized Milwaukee association three years ago. He assisted in organizing associations at Green Bay, Appleton and Sheboygan. He was one of the two vice-chairmen of life insurance week in Milwaukee.

## C. W. Helser President of American Life of Denver

DENVER, June 7.—C. W. Helser, formerly of San Francisco, who recently figured in a deal with F. A. Heath, Denver investment man, to take over the control of the American Life here from the former president, J. C. Burger, has purchased Mr. Heath's interest and has been named president of the company. Mr. Helser is former vice-president and agency head of the West Coast Life and has also been connected with the Equitable Life of New York, Continental Life of Salt Lake City and the Union States Life. The American Life will not enter any new territory at present, he said, but the states in which it is now operating, namely Colorado, Wyoming, New Mexico, Nebraska, Kansas and Missouri, will be intensively developed for business. A production drive in May, he announced, resulted in over \$400,000 of new business with a net increase in outstanding insurance.

## Actuarial Society Meeting Set

The Actuarial Society of America will hold its fall meeting Oct. 18-19 at the Shoreham Hotel in Washington. Because of the demand for hotel accommodations there Secretary J. B. MacLean has advised members expecting to attend the meeting to make tentative reservations early.

## Wortman's Good Record

Joseph Wortman, general agent for the Security Mutual of New York in Boston, ranks seventh among the agencies for 1934 to date although his agency was established only two years ago. Mr. Wortman went to Boston

from the Harry Jacobi agency in New York City June 1, 1932. Volume of business this year shows a 98 per cent increase over 1933. The agency has made its quota each month of 1934.

## Guarantee Mutual Life Not Involved in McKennon Case

Cancellation of the license of Floyd McKennon, Washington state agent of the Guarantee Mutual Life and broker for other life companies, by Commissioner Sullivan, did not involve any policy issue by the Guarantee Mutual. McKennon's license was suspended until April 1, 1935, on a finding that on or about Sept. 13, 1933, he allowed to Hugh Purcell of Seattle a rebate of \$40 upon the premium payable on his policy in another company. The correction is made to make it clear that the Guarantee Mutual in no way was involved in the case.

## Killed in Airplane Crash

Lewis Thomas, district manager for the Connecticut Mutual Life at Griffin, Ga., was killed in the airplane which he was piloting, just after taking off at the municipal airport in Griffin.

## Central States Life Men Now in Midst of Battle

A burlesque loving cup of copper, a foot and a half high, is the battle trophy to be awarded the best general in the first annual Central States battle now in progress in the Central States Life of St. Louis. A battle flag is the award for the leader in volume in the winning territory. Central States Life field men went over the top the last week in May as the war got into full swing. Business produced that week far exceeded that of any week since August, 1933, and was topped by only one week of 1933.

The Central States forces are aligned in three armies, the "Northerners," the "Southerners," and "Rebels," with the "Northerners" leading by only \$20,000 of written business as the "Southerners" emerged victorious in the "Battle of the Big Push" on the Mason-Dixon Line. Col. R. C. Davis, Arkadelphia, Ark., in charge of the Arkansas air squadron; Brig. Gen. Hess of St. Louis, tank corps; and Lieut. Gen. Lasswell of 131st Missouri Infantry at Kennett, Mo., have all exceeded quota and are now in the race for the victory medal, a new suit of clothes. Hats, shoes and shirts are the

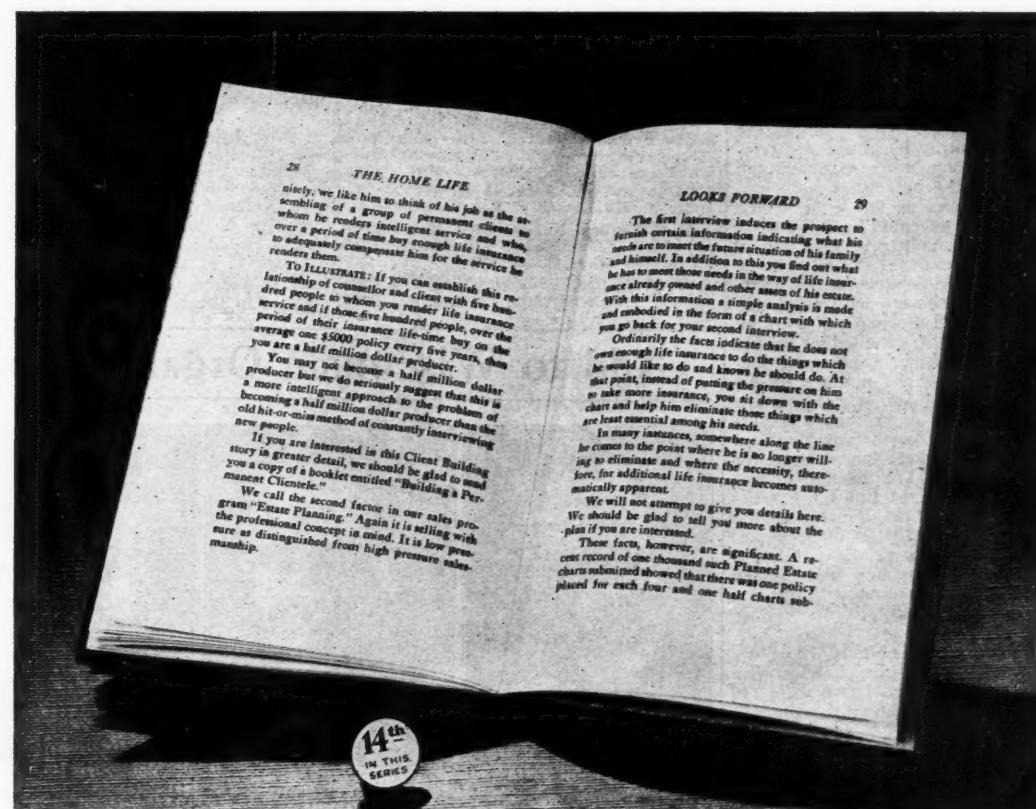
distinguished service medals being awarded to winners.

According to Alan Beck, "Secretary of War," the Central States battle has every indication of resulting in an increase in business equal to or in excess of the increase of the successful round-up campaign of the spring season.

## Expect California License Soon

Early adjustment of difficulties over licensing the Hercules Life of Chicago in California is expected by Commissioner Mitchell and the company's officials to be reached soon. Since appointment of a receiver for the National Life of U. S. A., a substantial sum in premiums has been paid to the California insurance division. When the Hercules took over the National of U. S. A. it applied for admission to California, but license was withheld, with the understanding that California premium taxes must be paid out of funds in possession of the department rather than to require California to file a claim with the receiver.

President M. A. Linton of the Provident Mutual Life, one of the outstanding executives in the country, will make the commencement address at Miami University, Oxford, O., next Monday.



This is one of a series of advertisements, reproducing the pages of a new book, "The Home Life Looks Forward", which has just been published. If you care to have a copy of the entire book, write now to Cecil C. Fulton, Jr., Superintendent of Agencies.

# HOME LIFE INSURANCE COMPANY

256 BROADWAY, NEW YORK, N.Y.

ETHELBERT IDE LOW  
Chairman of the Board

JAMES A. FULTON  
President

## Greatly Increased Sales Are Reported for May

The New York Life's applied-for business in May was 25 percent ahead of May, 1933, the company receiving 22,474 applications totaling \$50,850,000. The first five months of this year also registered a 25 percent increase over the same period of 1933 in volume of new paid-for insurance.

\* \* \*

The Home Life of New York reports a 33.5 percent increase in new paid business for May and 41 percent for the year to date. These figures do not include retirement income or annuity figures, which showed a larger increase over last year.

\* \* \*

A gain of 31.5 percent in applications and 28.7 percent in volume was recorded in May by the Fidelity Mutual Life in its "Friendship Cruise" in honor of Frank H. Sykes, vice-president and manager of agencies. Mr. Sykes was on a South American cruise throughout the month. The volume gain was 30 percent better than the average month of 1933, and 15.6 percent better than the average of the preceding four months of 1934.

\* \* \*

On May 25 a drive throughout Illinois by agents of the Franklin Life set up a new record for one day's business in the state. Quotas were assigned to each agent, the total being sufficient to establish a new record. By midnight, the business reported by telephone and telegraph to the home office exceeded the state quota by 21.8 percent.

Leading agencies in the drive which was planned and executed by R. F. Bierbaum, supervisor, under the direction of Agency Vice-president Rollin Young, were Decatur, which exceeded its quota by 237 percent; Chicago with an excess of 70 percent and Springfield with an excess of 36 percent. Individual honors went to Agent H. E. Gordon of Decatur, who led in both number of applications and volume, exceeding his personal quota by more than 400 percent. Applications for the day averaged \$2,584 each, and there were none for more than \$10,000. The business aggregated more than eight times the average day for May, 1930, which was the company's biggest May in many years.

Policies stressed were the family income, salary continuance and golden jubilee retirement income with income provisions for the family.

\* \* \*

In the first quarter of 1934, 72 agents of the Pacific Mutual Life qualified with app-a-week production. There were 146 agents who wrote eight or more applications in April.

\* \* \*

Running to five in a row its string of months in which new business has exceeded the \$5,000,000 mark, the Northwestern National Life of Minneapolis chalked up another big gain in May with a 23 percent gain. May sales amounted to \$5,378,246, exceeding the April total by \$9,400. The White & Odell agency, Minnesota state managers, and the A. W. Crary agency, North Dakota state agents, finished first and second among the agencies.

### COMPANIES

**New World Life**—First quarter increase 160 percent; April, 215 percent. Jacie Neer, Portland, Ore., leading general agency.

**Farmers & Traders Life**—May gain 375 percent; five months 130 percent. Big production from income and juvenile policies.

**Reliance Life**—May life business increase 55 percent with \$4,383,751 total. Five-month total \$16,616,899, gain 41 percent. Accident five-month total \$2,397,182, gain 45 percent; May gain 19 percent.

**Bankers Life, Ia.**—Five-month total \$23,486,000, gain 20 percent. May total

\$4,441,000, fifth consecutive monthly gain.

**Acme Life, Tex.**—Five-month increase 25 percent.

**Business Men's Assurance**—May paid gain 56 percent; four-month gain 67 percent.

**Indianapolis Life**—Five-month paid gain 46 percent.

**Great American Life, Tex.**—April best month in history. May ahead of April 23 percent.

**Lincoln National Life**, western division, F. W. Gale, superintendent of agencies—four months period increase 247 percent.

### GENERAL AGENCIES

**Kellogg Van Winkle**, Los Angeles, Equitable Life of New York—May total over \$2,000,000.

**Frederick Bruehlholz**, Chicago Clearing House branch, Chicago, New York Life—Ahead of five-month paid allotment with \$1,912,211; ahead on new organization quota with \$357,650 paid.

**B. A. Weidemann**, San Antonio, Union Central Life—May paid over \$600,000. Best month since August, 1932. Five-month gain 33 percent.

**Pittsburgh**—April sales of 28 agencies gain 36.4 percent over April, 1933. Four-month increase 18.1 percent.

**Sam C. Pearson**, western Missouri, Northwestern Mutual Life—May written business \$418,069 compared to \$168,690 in April.

**Judd Benson**—Western Missouri and Kansas, Union Central Life—May gain 250 percent, five-month 128 percent. Outstanding May producers: Mrs. Nina Schumacher, Wichita, \$141,600; O. E. Johnson, Kansas City, Mo., \$106,000.

**A. M. Embry**, Kansas City, Mo., Equitable Life of New York—Five-month total \$7,000,000; May, \$1,500,000.

**W. S. Fuller**, Prudential ordinary agency, Southern Ohio, Cincinnati: Pro-

duction in May, 117 applications for \$720,990 ordinary, three applications for \$39,082 life and refund annuities, and seven applications for \$230,000 group and wholesale.

**H. R. Pink**, Sacramento, Cal., Pacific Mutual Life—Exceeded 1933 total in first four months of 1934.

**J. J. Hughes**, Des Moines, Northwestern Mutual Life—100 percent paid business increase in 1934 to date.

### E. B. Twiss Honored

Ernest B. Twiss of the life agency division of the Aetna Life was guest of honor at a luncheon given at the Hartford Golf Club to mark his completion of 25 years with the company, where he is in charge of agency production records, production reports, and the issuing of agents' licenses. Vice-president S. T. Whatley was host at the luncheon. Mr. Twiss is a native of Hartford. He was at one time associated with the Colt Manufacturing Company and was later cashier for the Hartford branch of the International Correspondence Schools. When he became affiliated with the Aetna Life in June, 1909, he was in the medical department before being transferred to the life agency division.

### Simpson Gains 100 Percent

The Dominion Life's Detroit agency under Manager F. W. Simpson showed a 100 percent increase in paid business for the first four months. The agency has been specializing in annuities and E. C. De Wolfe is the leading producer. He placed second in the entire company for May paid business. Mr. Simpson is giving special attention to brokerage business in Michigan.

### Jules Girardin Is 79

Jules Girardin, former manager Phoenix Mutual Life in Chicago, and now veteran general agent, celebrated his 79th birthday anniversary Wednesday. He is a former president of the Chicago Life Underwriters Association and is one of the oldest men in active service in the city.

## Add to Wisconsin Organization



R. M. VETTER



S. E. SMITH



E. F. HERRMANN

The successful Wisconsin agency organization of the Continental Assurance under the direction of General Agent R. M. Vetter of Madison, has been augmented by appointment of E. F. Herrmann as northwestern Wisconsin general agent, with headquarters in Chippewa Falls and Eau Claire, and S. E. Smith as general agent in the northeastern section, operating out of Green Bay.

### To Hold Regional Meets

A series of regional agency meetings for Wisconsin has been planned by Superintendent of Agencies D. Miley Phipps to be held in Madison, Chippewa Falls and Green Bay during the week of June 25.

Mr. Herrmann is one of the young, aggressive life insurance men attracted to the Continental organization in recent years. He will build an agency staff.

Mr. Smith, long a friend of Mr. Vetter, is one of the outstanding insurance men in the Green Bay territory. He has

had a number of years of successful life insurance experience.

The Vetter agency is an aggressive, hard-hitting organization which in eight months has established itself firmly among the company's leading general agencies. Wisconsin in May stood fourth in production among Continental agencies. Mr. Vetter has had long experience in insurance, is a personal producer of considerable ability and a hard working agency organizer. He travels his territory continually building his organization and keeping it up to high production level.

Some years ago he traveled Wisconsin for the accident and health department of the Continental, later turning to life insurance. He had a successful record with the National Guardian, and then for a number of years was one of the leading general agents of the National Life of U. S. A. He returned to the Continental shortly before the other company ceased operations.

### New Booklet by Bertha Hunt Goodrich Out Soon

The Diamond Life Bulletins, published by THE NATIONAL UNDERWRITER, announce that a new booklet by Bertha Hunt Goodrich will soon be published. She will tell the advantages of life insurance as a life business. Her husband, Dwight A. Goodrich, has been connected with the Mutual Benefit Life in Rochester, N. Y., since 1914.

The first booklet by Mrs. Goodrich to obtain wide circulation was "A Wife's Part," which told of the problems of the wife of an insurance man and how the wife could help her husband. The next booklet was "Mary Newton's Fur Coat," and then she is the author of another, "Cynthia Solves Her Problem." Mrs. Goodrich graduated from a teachers' training course and then became private secretary to the attorney general of New York. She taught commercial subjects in the Rochester high schools while her husband was being initiated into the insurance business.

### Two Brothers' Service With Provident Totals 100 Years

Frank H. Weed, manager mortgage loan department Provident Mutual, and Oliver D. Weed, manager of the actuarial department of that company, completed a combined service of 100 years on May 23. The former joined the company in 1882; the latter in 1886. Both started in a clerical capacity and were promoted to their present positions as a result of earnest effort and thorough familiarity with their work.

As head of the actuarial department, including the Hollerith section, O. D. Weed supervises the work of nearly 70 employees. His brother, who is in charge of mortgage loans, is largely responsible for the fine showing of the Provident Mutual in the mortgage investment field during the depression era.

### Newark Agency Club Elects

At the annual meeting of the Mutual Servers Association of the Newark office of the Massachusetts Mutual Life, these officers were elected: President, Fred Ditmars; vice-president, V. S. Evans; secretary, Miss Marion E. Nash; treasurer, Albert Cockshaw; librarian, B. W. Douglas.

### Buck Shows Gain

The R. M. Buck general agency of the Indianapolis Life in Los Angeles shows a gain of \$118,685 in paid business for the first five months. During April the agency produced 80 applications, which is a new high record. It is expected the final May figures will show at least 90 applications. Mr. Buck led the agency and company in paid volume with S. D. Hall second. Mr. Buck recently celebrated his fourth anniversary as general agent at an agency breakfast.

### Ehn Observes 25th Year

John H. Ehn, Connecticut state manager of the Mutual Trust Life of Chicago, is observing the 25th anniversary of his affiliation with the company. He was appointed an agent May 24, 1909, when the company had about \$1,000,000 insurance in force in Connecticut. Three years later he was appointed general agent for the company in that state, and then became manager for the New England states. After about a year in that capacity, he again became Connecticut manager and has built up an organization of approximately 100 men with more than \$21,000,000 of insurance in force at the close of 1933.

C. A. Hansen, Fargo, N. D., has been named to represent the Mutual Benefit Health & Accident and United Benefit Life of Omaha.

## Record of Life Companies Praised by Roger Babson

### SAYS TRUST IS WARRANTED

Conservative Management and Fine Judgment Responsible for Exceptional Showing, Economist States

Life companies' records in the last four years of the depression fully justify the trust placed in them, Roger W. Babson states. While several companies failed, the record of the whole group compared with banks and investment trusts is excellent. The companies in the last four years paid over \$10,000,000,000 to policyholders and their assets have increased \$4,000,000,000.

Conservative management and fine investment judgment are mainly responsible for the showing, he said. At the end of 1933, he stated, 3.4 cents out of each insurance dollar were invested in United States government securities, 4.1 cents in state, county and municipal bonds, 2.3 cents in Canadian government obligations and 0.1 cent foreign government issues, with 2.5 cents in cash. In addition 14.5 cents went into underlying railroad bonds, 8.5 cents public utility issues, particularly operating company obligations, and 1.8 cents in industrial bonds.

### Market Advance Helpful

Mr. Babson said recent advance in the bond market carried prices of high grade bonds back to levels prevailing early in the century, which strength naturally has greatly benefited life companies.

Stocks comprise only 2.7 percent of the insurance dollar, and these are mostly high grade guaranteed railroad preferred on which not one default during the depression has occurred.

Farm mortgages represent 7.9 cents of the insurance dollar and mortgages on apartment houses, homes and other city property, 24.7 cents.

Although life companies appraised real estate for loan purposes very conservatively, it was the real estate investment which caused the companies their greatest worries, some companies which over-concentrated in this field failing and thus exhibiting the great need for thorough diversification in the portfolio. Advance in farm prices and recovery in general business are now relieving the tension on farm and urban mortgages.

### Notes Distinct Sales Rise

The life companies are benefiting also through a distinct increase in sale of new life insurance. Mr. Babson said that since last September when the low in life insurance sales was reached, improvement has been almost continuous. April sales were 26.4 percent above April, 1933. The value of life insurance is much more appreciated in this country and Canada than ever before, he said.

Policy loans are steadily decreasing. The only present fear is that of radical inflation, which would mean the same to life companies as to banks, Mr. Babson said. The life companies will not lose, but the policyholder who has paid 100 cents in premiums and receives 50 cents in benefits through being paid with a cheap dollar, will lose. Mr. Babson expressed belief it is a mistake to rely solely on insurance; that as life insurance it is sound, but as an investment it should be considered only as one form among several.

Life companies have been greatly aided by the stock market losses of many investors in the last five years. People have turned to life insurance as a safe medium. There has been a great increase in sale of annuities, which in 1933 were 150 percent of their 1930 volume. Mr. Babson stated in 1922 income received from annuities from life companies represented 1 percent of total revenue, but in 1933 the ratio had increased to 11 percent.

## Rules for Writing Group Hospitalization Item Given

### RIDER TO GROUP A. & H. FORM

On New Groups, Employee Must Take A. & H. and Hospital or Neither—Ten Week Limit

Additional information as to the practices decided upon by the big group writing life companies for handling group hospitalization benefits is now available. One question which has not been determined upon by the companies is whether a group of less than 500 lives will be acceptable for this coverage and whether \$3 per day benefits will be the maximum that will be granted.

The companies are issuing group hospitalization benefits in the form of a rider under group accident and health policies. Most of the companies are limiting the benefits to ten weeks in any period of 12 consecutive months.

In addition to the \$3 per day hospitalization benefits, companies are offering up to \$15 in any 12 month period to cover case room fees, anaesthetic, laboratory, operating room and x-ray examinations, but not x-ray treatment. The company will pay the \$15 or the actual amount of the fees, whichever is less.

In order to collect benefits, the assured must be confined in a legally constituted hospital and be recommended for that treatment by a legally qualified physician or surgeon. In order to collect, confinement must begin before expiration of the regular sickness and accident disability benefit period. Benefits are not allowed for operating, surgical or medical fees. There is no benefit payable for injury or sickness arising out of or in course of the employment. There is no benefit payable for self-inflicted injury. No employee over 70 is entitled to such benefits.

On new groups, the employee must take both the accident and health disability benefits and hospitalization benefits, or neither. Hospitalization benefits cannot be made effective in connection with old accident and health group contracts unless 90 percent of the employees who are insured for accident and health, agree to take the hospitalization benefits.

The rate of most of the companies for this coverage is 50 cents per month per employee, subject to a loading for female and/or non-Caucasian lives and extra-hazardous industries.

### Interesting Survey Made by the American Central

That the public is in sympathy with insurance as a sound and stable institution in which to put its money in preference to other investment plans, is illustrated by the results of a unique survey recently made by the American Central Life, as 121 people were stopped on the downtown streets of Indianapolis and asked the question: "What do you consider the best plan of savings and investment for the average person?" In answer to this query, 57 percent gave life insurance as their preference; 18 percent real estate; 9.9 percent savings banks; 5.8 percent bonds; 5.8 percent stocks, and .8 percent building and loan.

Those questioned appeared to be of average means and each, upon casual observation, looked as though he might be a potential buyer of insurance. Although the number of persons questioned is somewhat limited to give an entirely perfect picture, yet it is indicative of the high place life insurance holds in the average person's mind.

**Dr. James Ready** has been named to the medical staff of the General American Life. He has been assistant medical instructor at St. Louis University and on the St. John's Hospital staff, St. Louis.

# AMERICAN CENTRAL LIFE INSURANCE COMPANY

ESTABLISHED 1899

INDIANAPOLIS, INDIANA

All Modern Forms of Life Insurance and Annuities

RELIANCE LIFE INSURANCE COMPANY OF PITTSBURGH

## Live and Win

Life insurance took on a new meaning with the writing of policies under which you don't "have to die to win." Benefits to the living represent over 60% of all Reliance payments. The life, accident and health coverage afforded by the Reliance Perfect Protection Policy is assured full measure of value because of the safety, the strength and the generous service of Reliance Life.



Ask J. C. Federer  
of Morgantown, W. Va.  
—representing Reliance Life for  
more than 10 years.

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SECURITY Seals every Reliance Policy

## THE NATIONAL UNDERWRITER

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### Looking for Harbor of Safety

THERE are indications on different sectors that show the trend of the public mind toward life insurance. Undoubtedly there is a groping toward security and some sure foundation, not only in things material but in the realm of the mind and spirit. This is a time of change and uncertainty. Hence people are giving more attention to what appear to be the realities.

The public has been buffeted about and has lost so heavily in its investments and savings that it is seeking some harbor where it is sheltered from the storm. For instance, there are increasing numbers of applications for larger policies. There are far more applications for business insurance these days. People are buying annuities and retirement fund policies. They are taking their money to the life companies because they be-

lieve that these companies can be trusted to do the right thing. They prefer to rely on the combined judgment of a life company management than on the counsel of some investment man or banker. Today the big problem with the individual as well as the life company is what sort of investment to make. With the uncertainty in the air, one man's guess is as good as another. It can be said, however, that a life company does have the element of greater solidity and security these days than any other institution. The life companies might be called the last line of defense. Time has been taken to build them on solid foundations. They constitute the safest form of investment trust. It is because people have confidence in them that they attract an ever increasing number of applicants.

### Banks' Tune Is Changed

LIFE companies are experiencing a strange reversal in form on the part of banks. During the period of the greatest depression, when there was an unusual demand for money, bank officials did not hesitate to suggest to policyholders that they seek loans on their policies or even cash them in. The life companies realized that the banks were inspiring a number of loans on policies frequently where the policyholder would not have otherwise taken action. The banks sought to save themselves at the expense of life companies.

Now with the banks overflowing with money and with channels for investments more or less restricted, bankers are suggesting to policyholders that they

borrow money from them to liquidate these policy loans at 6 percent and pay the banks 4 or 4½ percent or whatever rate is agreed upon. The banks then have the policies assigned to them to protect them, and take such other collateral as they can get. The point is made by the banks that policyholders are paying 6 percent interest on their life loans and need only pay 4 or 4½ percent interest to the banks. Many companies find that policyholders have acted on the suggestion of the banks. This means, of course, more money for the life companies to invest. The problem of investments is becoming more serious as currency is being heaped in the various reservoirs.

### Policyholders Deserve Attention

INSURANCE men must never forget that their policyholders deserve their most earnest thought and attention. Sometimes when we secure an order for insurance and get the money we dismiss the policyholder pretty much from our minds. We do not realize that insurance is something that requires constant overseeing. There may not be an opportunity for service and yet there is likely

to be. Hence an insurance man should have his people before him and should review their situation from time to time. He should be prepared for action. He must be in a position to render service and must anticipate needs. If he neglects his policyholders some other agent is certain to step in and give them the attention they deserve. Many accounts are lost by neglect.

## PERSONAL SIDE OF BUSINESS

Drake University, Des Moines, Ia., on June 4 conferred the degree of LL.D. on R. G. Hunter, second vice-president and actuary of the Equitable Life of Iowa. Mr. Hunter is a native of Scotland and attended Edinburgh University. He is an associate of the British Institute of Actuaries, a fellow of the Actuarial Society of America, and a fellow of the American Institute of Actuaries. He has been head of the actuarial department of the Equitable of Iowa for 16 years.

A. C. Barber, former insurance commissioner of Oregon, died at his home in Portland following a heart attack.

He was born in Washington, Ind., and entered insurance work as a young man at Indianapolis. He was in the business in Pittsburgh and Chicago before going to Portland. He helped clean up the losses of the National Union in the San Francisco fire in 1906.

After two years of retirement, due to ill health, he entered the Oregon department in 1912. He was chief deputy under J. W. Ferguson and also under Harvey Wells. He was appointed commissioner by Governor Olcott, serving in that capacity until 1924, when he became manager and assistant secretary of the Portland Insurance Exchange. Since 1926 he has been associated with the Oregon Automobile.

F. B. Jacobshagen, secretary Farmers & Bankers Life, Wichita, Kan., has received news from the physicians at the Mayo Clinic at Rochester, Minn., that Mrs. Jacobshagen is recovering satisfactorily from the effects of a recent operation.

Wendell P. Coler, actuary of the American Central Life, made the principal address at the initiation dinner of the Albert Marshall Society in Indianapolis Monday night. The society is an organization composed of the outstanding upperclassmen of the economics department at Butler University.

C. C. Day, Oklahoma City general agent Pacific Mutual Life, was reelected president of the Southwest Regional Welfare Conference at its meeting in Kansas City, Mo.

J. M. Bryan, secretary of the Jefferson Standard Life, has recently been elected president of the reorganized North Carolina Broadcasting Company, owners and operators of radio station WBIG, Greensboro, N. C. Karl Ljung, Jr., assistant secretary of the Jefferson Standard, was elected vice-president and treasurer. J. C. Smith and Howard Holderness, also of the same company, were elected directors. Maj. Edney Ridge was elected secretary and manager. He has had a long experience in radio activity.

A one-day drive conducted by I. C. Cunningham, Los Angeles, manager southern division Occidental Life, with a goal set at \$250,000 of written new insurance, resulted in applications for new insurance aggregating over \$500,000, or more than double the amount set as a minimum. The home office agency produced 83 "apps" for \$260,000, while outside agencies surprised Mr. Cunningham by producing \$245,000 additional, for a total of \$505,000.

President Chandler Bullock of the State Mutual and other officers of that company, as well as of a number of other companies, policyholders and general agents, contributed letters of congratulation which were assembled in a bound volume and presented to Miss Christine Ludwig, cashier of the Caperton agency of the State Mutual in Chicago (formerly the Wrenn agency), upon her completing 30 years' service. The company officials also presented her an engraved plaque heretofore given

only to home office employees on completing 30 years. The presentation was made at a surprise luncheon attended by the entire office force. Miss Ludwig started with the company at Providence, R. I., then became one of the company's first auditors. Later she spent some time in the Minneapolis and St. Paul agencies and 20 years ago went to the Chicago agency as cashier. At the affair she was presented a watch, serving tray and other gifts, Leslie Schaufler, who has been with the agency 15 years, being toastmaster.

Miss Ludwig's fine record in office management and conservation of business has become widely known. A few months ago an article written by her from the cashier's viewpoint appeared in the "Managers Magazine." Last year in the Caperton agency out of an exposure of \$55,000,000 of business the lapse was only \$1,800,000, or considerably below the State Mutual's country-wide average, which in itself is low.

Sidney A. Foster, former executive of the Royal Union Life of Des Moines, received almost 100 letters of congratulations on his 85th birthday last week, among them letters from Herbert Hoover, Frank Lowden, Walter A. Jessup, Brigadier-General Ely and Henry A. Wallace. Theodore Roosevelt, Jr., wrote recalling the fact that Mr. Foster had served on some of former President Theodore Roosevelt's committees. Louis McHenry Howe sent felicitations from President Franklin D. Roosevelt.

H. O. Johnson, assistant secretary Conservative Life, South Bend, Ind., was slightly injured in an accident near Clinton, Ind., last week, when his car skidded from the road and struck a house adjoining the highway.

President C. F. Williams of the Western & Southern Life and his family are in Washington, D. C., attending the graduation of his eldest son, C. M. Williams, from Georgetown University.

R. E. Irish of Portland, Me., new vice-president of the Union Mutual Life, who was installed in office the first of May, is now on a western trip visiting agencies at the chief points.

M. P. McComas, Topeka, Kan., agent of the Equitable Life of New York, produced 43 applications on binder the last two weeks of May for approximately \$350,000.

Peyton W. Jones, new president of the Industrial Insurers Conference, has had well-rounded experience in the industrial field. Although he is only 37 years old, Mr. Jones has been with the Bankers Health & Life of Macon for 18 years. He worked on the debit for five years, was an assistant and superintendent for three years and has been at the home office in an executive capacity for the past ten years, now being secretary-treasurer. Mr. Jones was educated in Macon, having attended Mercer University. Besides his insurance activities Mr. Jones is active in civic affairs, being immediate past president of the Macon Civitan Club and is now president of the Macon chamber of commerce. Golf seems to come natural to Georgia Joneses and it is reported that Mr. Jones averages around 78.

George D. Riley, Mississippi commissioner, was the main speaker at the meeting of the Mississippi Travelers Association in Jackson last week.

E. E. Cammack, vice-president and actuary of the Aetna Life, has returned to his office after attending the International Congress of Actuaries in Rome.

D. E. Waggoner, president United Fidelity Life of Dallas, and associated with several of the financial concerns

of the city, has been selected by the Republican state executive committee to make the race for governor of Texas this year. Mr. Waggoner has accepted the nomination and is now planning an active campaign.

The Republicans two years ago nominated Col. W. E. Talbot, vice-president and agency manager of the Southland Life, for governor and he polled around 200,000 votes in the general election.

T. F. Keer of Keer & Van Vliet, Newark managers for the Prudential, and Mrs. Keer will leave Aug. 1 for an extended trip abroad. They will be joined by their daughter, Miss Katherine Keer, who has just finished a course of study at Munich. They will attend the Passion Play and then visit other places of interest.

Edward R. Hardy, Jr., son of the secretary of the Insurance Institute of America, has received the degree of master of sacred theology at the General Theological Seminary of New York. In the June 4 edition of "Time," Dr. Hardy was publicized because he is a nationally known prodigy. He is now only 26 years of age. He matriculated in New York University at the age of 5. Then, five years later, he passed the entrance

examination for Harvard, but waited until he was 12 to enter Columbia University. He was awarded a Phi Beta Kappa key at 14, an A.B. at 15, an M.A. at 15, bachelor of theology degree from General Seminary at 18 and a Ph.D. degree from Columbia at 20. Two years ago he was ordained an Episcopal priest and was assigned to a parish in Astoria.

T. I. Parkinson, president Equitable Life of New York, will speak at the "Choosing - a - Career Conference" in Newark June 26-28 on insurance as a career.

Lloyd Thomson, actuary of the Indiana department, suffered painful but apparently not serious injuries when diving in a swimming pool near Indianapolis.

A new book, "The Logic of Life Insurance," by Paul Speicher, managing editor of the "Insurance Research & Review Service," has been issued. It is a review of life insurance in action at the present time built around the idea of making certain a financial future for self. It is sold for 90 cents. Its facts and human interest situations can be used in many interviews and it makes an appeal to policyholders and prospects.

## LIFE AGENCY CHANGES

### Page Goes to National Life

**Resigns as Vermont Commissioner of Finance to Take General Agency at Burlington**

The resignation of Proctor H. Page as Vermont commissioner of finance and his acceptance of a position with the National Life of Montpelier, as its general agent at Burlington, Vt., is announced. The offer which Mr. Page has accepted has been pending for some time, but at the request of Governor Wilson he had delayed pressing his resignation. It has now been mutually agreed that the resignation shall take effect on July 15, at which time Mr. Page will take charge of the general agency at 162 College street, Burlington.

Mr. Page has been commissioner of finance since 1931, and has recently become very widely known throughout the state because of his position as director of the civil works administration of the federal recovery program and also of the Vermont emergency relief administration, which work he ceases when he resigns from public office.

### Cochran General American Manager at Kansas City, Mo.

C. V. Cochran has been named manager of the Kansas City branch of the General American Life. He has had considerable experience in life insurance, both as producer and as a supervisor. His territory will include Jackson, Platte, Clay and Cass counties in Missouri, and Wyandotte, Johnson, Miami, Franklin and Douglas counties in Kansas.

He joined the Connecticut Mutual Life in 1928 in Kansas City. For two years he was a leading producer and was promoted in 1929 to supervisor in that territory. The next year he became assistant manager of the Kansas City office of the Connecticut General Life.

Mr. Cochran is a graduate of Ottawa University, Ottawa, Kan., and received his M. A. from the University of Kansas. In his college days he established an unusual athletic record, having been named to the conference all-star teams in football, basketball, track and tennis. He is still active in refereeing football and basketball games.

### Walsh Goes to Albany

E. Leonard Walsh, who has been representing the Massachusetts Mutual in

New Haven, goes to Albany July 1 to become general agent of the National Life of Vermont. He succeeds C. P. Bell, resigned. He has worked in previous years in Albany and vicinity.

### Opens Third Boston Agency

The New England Mutual announces the opening of its third general agency in Boston. V. W. Kenney has been made general agent, with offices at 178 Tremont street. Two years ago he was president of the Boston Life Underwriters Association. He went to Boston in 1920, as head of the agency of the Connecticut Mutual Life. He has been in the business 37 years, having started in 1897 immediately on graduating in law. He has gone through all the grades of insurance selling, from agent to being head of a metropolitan agency.

The other long-established general agencies of the New England Mutual in Boston are Moore & Summers at 97 Milk street and A. H. Curtis & Co. in the Chamber of Commerce building.

### Life of Virginia Changes

Traveling Inspector S. S. Harrell of the Life of Virginia has been appointed district manager at Terre Haute, Ind. Assistant District Manager W. B. Dicken of Columbus, O., has been appointed traveling inspector, working under Supervisor Anderson in division 4. Former District Manager J. M. Fagg of Terre Haute has been transferred to Columbus, O., where he will assume charge of the assistance of Mr. Dicken.

### Southeastern Life Appointments

T. S. Pressly has been made supervisor of the Southeastern Life of Greenville, S. C., at the Knoxville, Tenn., branch office. He was formerly general agent for the American Bankers in Knoxville territory. The office is in the General building. D. J. Duncan continues as supervisor, he and Mr. Pressly having virtually the same duties but different territorial assignments. The branch office covers east Tennessee, Kentucky and West Virginia.

Al S. Burdette becomes general agent at Greenwood, S. C. He was formerly a newspaper man and salesman.

### V. V. Moore

V. V. Moore, who has been in life insurance work about eight years, has been appointed agency supervisor of the H. C. Lawrence agency of the Lin-

Organized  
1899



Old Line  
Legal Reserve

### The Federal Came Through With Flying Colors

● During a four year period in which general business was fighting for its very existence . . . when banks were closing temporarily, some never to re-open . . . when all securities were questionable and returns from most investments were little or nothing . . .

### The Federal paid out to Policyholders and their Beneficiaries over \$14,000,000

without the necessity of borrowing a dollar from any source—or selling any of its securities in order to raise cash.

### "It Is Easy to Grow with a Growing Company"

● The Federal plans to open 10 new agencies in Illinois Indiana Iowa  
Missouri Ohio

If you are the man to develop one of these agencies, write us.

FEDERAL LIFE INSURANCE COMPANY

Isaac Miller Hamilton, President  
CHICAGO

## GUARDIAN LIFE

# NEWS

### New AUTOMATICS Called "Prize-Winner"!

The Guardian Life's new AUTOMATICS fit today's conditions like the skin on your hand! Men want maximum protection now, but they want to pay as little as possible for it. The new AUTOMATICS provide for this. They build a bridge between today's pocket-book and tomorrow's. They are real sales-getters for the alert underwriter.

AND THAT JUST STARTS TO TELL THE STORY! James Elton Bragg, Manager, JAMES ELTON BRAGG AGENCY, New York City, calls the new Automatics contract "a prize-winner in my Agency". First introduced in January of this year, it is already a big success!

THE GUARDIAN LIFE  
INSURANCE COMPANY OF AMERICA

ESTABLISHED 1860  
50 UNION SQUARE NEW YORK CITY

**WANTED: Managerial Material**

**BUFFALO MUTUAL LIFE INSURANCE COMPANY**

1872

for the  
States of  
New York  
and Ohio

There are many men who would make good local and district managers for this 62 year old Company. We are trying to find them. And when we do they will be glad to hear our story. But, frankly, the best managers we have found were men who started with us as agents. Our problem is to fit good men to available territory in the states of Ohio and New York.

Buffalo Mutual Life is a progressive Company, growing fast, but not so large as to make individual attention and instruction difficult. If you feel you are managerial material and are willing to prove it by starting as an agent, write in confidence and detail to E. Parker Waggoner, Supt. of Agents, Buffalo, N.Y.

#### 18 POLICIES... Birth to Age 60... DEPENDABLE PROTECTION

Whole Life Special • 20 Payment Life Special • Multiple Option Life and Annuity • 10 and 20 Year Modified Ordinary Life • 10 and 20 Year Family Income • Endowment at Age 65 • Ordinary Life, Endowment at 85 • 20 Payment Life, Endowment at 85 • 10, 15 and 20 Year Endowment • Special Convertible Term • 10 Year Term • Children's Policies (Three Forms) Birth to Age 10

15

AN OLD-LINE LEGAL RESERVE COMPANY



## Here You Sell "Assets"

Agents for Yeomen Mutual Life have real net assets to back up their sales story. This company today occupies the strongest financial position in its 37 years' history, with assets of more than \$23,800,000—and nearly 60% of all these assets in cash, U. S. Government, state or municipal bonds. You can sell Yeomen Mutual policies with pride and confidence.

Ask us about agency managerships open in Eastern Missouri, Nebraska, and Oklahoma.

**YEOMEN MUTUAL LIFE  
INSURANCE COMPANY**

A. H. HOFFMAN, PRESIDENT

Home Office: Des Moines

coln National Life in Newark. He is a graduate of the University of Iowa and made a record for selling life insurance while playing football on the college team, by turning in an application a day for 119 consecutive days for the Central Life of Des Moines. He has been with the Massachusetts Mutual, Great Western and New York Life. He succeeds E. C. Heap, who has resigned to enter the mercantile business.

#### Edward S. Grant

The Great American Life, Hutchinson, Kan., has been admitted to Arizona. Edward S. Grant of Phoenix has been appointed general agent with jurisdiction over the entire state.

#### H. I. Covault

H. I. Covault has been appointed general agent of the Ohio State Life at Lorain, O. He formerly was with the Detroit Life.

#### C. H. Bell

C. H. Bell, who resigned recently as general agent of the National of Ver-

mont in Albany, N. Y., has been made assistant manager of the Connecticut General agency of H. M. Clark in Albany.

#### Maurice E. Smead

Maurice E. Smead, for some years Portland general agent of the California-Western States Life, has been named Oregon state manager of the Occidental Life, succeeding G. J. Hartman, who has been transferred to eastern territory.

#### Life Agency Notes

G. A. Holland, Connecticut Mutual Life general agent at San Antonio, Tex., has opened an El Paso, Tex., district office in the First National Bank building with C. T. Dugan as manager.

Franklin Haugh has been made manager of the Anderson (Ind.) district of the Massachusetts Mutual, with offices at 416 Citizens Bank building. Paul Patterson, former district agent, has been transferred to Elgin, Ill.

## AS SEEN FROM CHICAGO

#### JOHANNSEN SLATED FOR C. L. U. HEAD

A. J. Johannsen, supervisor Hobart & Oates general agency Northwestern Mutual, Chicago, heads the slate to be voted on at the annual meeting of the Chicago chapter of C. L. U., June 14. Frederick Bruchholz, agency director New York Life, is nominated for vice-president; Sara Frances Jones, Equitable of New York, for secretary-treasurer. Directors nominated are F. J. Budinger, manager Franklin Life; L. M. Buckley, Provident Mutual; A. S. Ingersoll, associate general agent Mutual Benefit; R. H. Hamilton, Stumes & Loeb agency, Penn Mutual; F. M. Schwemm, Connecticut General, and W. A. Meigs, Meyer agency New England Mutual. The nominating committee consists of W. N. Hiller, Stumes & Loeb; C. F. Axelson, Northwestern Mutual, and B. H. Groves, Travelers.

\* \* \*

#### CRAMSIE-LAADT TOURNAMENT

The Cramsie, Laadt & Co. general agency of the Northwestern National Life in Chicago is holding a competition among its agents for qualification to attend a golf tournament June 19 at the Cherry Hill Golf Club, Chicago. The competition period runs from May 1-June 15. Arrangements are in charge of Jack Kruger, manager of the agency. F. A. Cramsie will be toastmaster and pass out the prizes at a dinner following the tournament.

\* \* \*

#### MILNER AGENCY WELL AHEAD

C. T. Milner, manager for Illinois for the Great West Life of Canada, with offices in Chicago, reports an increase of more than 20 percent in paid business compared with last year and a 30 percent increase in business submitted. The increase for May was 27 percent. This branch is first on the company's records for placed business by districts and second in agency progress.

\* \* \*

#### BUDINGER AGENCY'S RECORD

The F. J. Budinger agency of the Franklin Life in Chicago broke all company records for a one-day drive when it produced 39 applications for \$127,144. All but one of the 15 men produced some business. The largest application was for \$10,000. The drive started with a breakfast. By noon 13 applications for \$42,021 were turned in; by 4 o'clock, 20 applications for \$88,180. At 6 p. m. 24 applications totaling \$95,680 had been submitted. The last application was reported just before midnight.

One agent who had been very pessimistic about business conditions was persuaded to try his best on that day. He wrote seven applications for \$22,500, leading the agency for the day and thereby writing in the one day more

business than he wrote in one month for two years.

The drive was in connection with the company's Golden Jubilee Month Campaign, May 16-June 15. A quota of \$1,000,000 from Illinois has been set. On the one day, Illinois produced \$450,000.

\* \* \*

#### EQUITABLE ORGANIZATION AHEAD

The central department of the Equitable of New York for the first four months stands \$24,000,000 ahead of last year on paid production, an increase of approximately 44 percent. The increase in paid production was 39 percent at the end of four months, thus showing additional betterment in May. W. M. Rothamel of Chicago is superintendent of agents. The May business totaled \$17,536,000, an increase from approximately \$11,000,000 in May, 1933, and close to the \$17,673,000 mark set in March this year. There were five \$1,000,000 agencies in the territory in May, the Embry agency, Kansas City, Mo.; Ryan of Detroit, M. C. Nelson of Des Moines, Homer Rogers of Indianapolis and Sam Lustgarten, Chicago. Premiums stand well ahead for the five months, showing an increase of about \$420,000 over the same period last year, and it is anticipated for the five months' period approximately \$500,000 ahead.

\* \* \*

#### RECORD INCREASES REPORTED

The Union Central agency in Chicago, managed by H. A. Zischke, paid for \$1,471,000 in May and wrote \$3,696,408 in 217 applications. There were 58 agents who produced in the month and five paid for over \$100,000 each. Maurice Bronner and Eugene Hiller each wrote \$202,000, H. K. Allen \$197,000, Frank Wohleber \$110,000 and James Shanahan, \$100,000. Mr. Shanahan leads for the year to date with \$385,000 paid for.

The F. J. Wood agency of the Lincoln National in Chicago during May, "Hall Month" in honor of President A. F. Hall, had greatly increased production. On May 11, Mr. Hall's birthday, the agency wrote \$238,000 in 83 applications and since it opened from "scratch" last July 15 has written \$2,765,000.

The P. B. Hobbs agency of the Equitable of New York in Chicago for the five months this year stands 35 percent ahead of the production figure of the same period last year.

The Caperton agency of the State Mutual in Chicago for the five months stands 100 percent ahead of the same period last year in paid production.

The Oklahoma Life & Accident has amended its charter, changing the operating name to Equity Life, and headquarters from Frederick to Oklahoma City.

## NEWS OF THE COMPANIES

### Yeomen Mutual Is Expanding

**W. E. Smock Named Manager of West Coast Agencies—Formerly With Bankers of Des Moines**

W. E. Smock, widely known Des Moines insurance man, has been appointed manager of the Yeomen Mutual Life west coast agencies. The appointment marks the opening of a general agency development program on the



**W. E. SMOCK**

coast, according to P. A. Stark, superintendent of agents. Newly equipped agency offices at Los Angeles, where Mr. Smock will make his headquarters, will replace the former company offices there.

The company also will operate west coast offices at San Diego, Oakland, Seattle and Portland and is launching an extensive agency program in the territory.

Mr. Smock was for a number of years in agency management work for the Bankers Life of Des Moines. He was president of the Des Moines Life Underwriters Association in 1919.

### Metropolitan Men Speaking

NEW YORK, June 7.—President F. H. Ecker and Second Vice-presidents E. H. Wilkes and H. E. North of the Metropolitan Life are this week addressing five regional meetings of the sales forces in New England, concluding the series of regional meetings they have been conducting in various sections of the country with the exception of the greater New York and the Pacific Coast territories. They expect to speak later at meetings in those territories.

### Jens Smith in Chicago

Jens Smith, junior vice-president of the Pacific Mutual Life, is in Chicago, where he was formerly manager for that company. He expects to remain about a month and will do some intensive work with agencies in Illinois. The company has two agency offices in Chicago and a number throughout the State.

### Seek Mandamus for License

INDIANAPOLIS, June 7.—The promoters of the Industrial Life & Casualty, proposing to operate under the 1897 assessment law, have brought mandamus proceedings against Commissioner McClain to compel him to issue the company a license. According to evidence already submitted it is alleged by the commissioner that the list of applicants for policies includes a large percentage of names that are not

in accord with the requirements under the law. One of the conditions is that there be 200 bona fide applications for at least \$200,000 of insurance.

### National Observes 35th Year

An increase of 68 percent in May sales is reported by the National Life of Des Moines. Starting June 15 the National Life begins celebration of its 35th anniversary year. A four-month contest will be held with a trip to the home office for qualifying agents.

### Examine Mississippi Companies

Examinations of Mississippi companies will be conducted by the insurance department in the near future, with John A. Copeland, consulting actuary, Atlanta, representing the Mississippi department. The companies to be examined are the Lamar Life, Standard Life and Mississippi Fire of Jackson and the Stonewall Life of Vicksburg.

### Report on Kentucky Home

Fackler & Breiby, consulting actuaries of New York City, have completed an audit of the Kentucky Home Life of Louisville, which took over the Inter-Southern Life. As of Dec. 31, it showed in its assets real estate \$4,287,434, mortgages \$174,426, collateral loans \$460,789, policy loans \$3,106,219, impairment liens \$6,345,119, bonds \$331,149, stocks \$801,759, cash \$411,757, admitted assets \$16,275,858, contingency reserve \$496,125, capital \$500,000, surplus \$178,599.

### Oklahoma Company Reinsured

J. B. Thompson, receiver for the Liberty Life of Oklahoma City, announces that it has been reinsured by the Republic Life of that city which has taken over the assets of the defunct company and is loaning money to pay death claims. The Liberty Life has \$1,500,000 in force in Oklahoma.

### Suwannee Life Jubilee

The officers, directors and field men of the Suwannee Life of Jacksonville, Fla., celebrated its first anniversary with a banquet in its home city. There were a number of talks and a program of entertainment. T. W. Benson, president, reviewed the progress made during the first year and stated that more than \$11,000,000 had been written during the year.

### Lincoln Benefit Not Involved

The Lincoln Benefit Association of Springfield, Ill., was erroneously reported in last week's edition as having been placed in receivership. This concern was confused with the Liberty Benefit Association of Chicago for which H. B. Hershey has been appointed receiver. The Lincoln Benefit Association is a going concern and no action has been taken against it.

The Latin-American Guaranty Life, Los Angeles assessment company, which recently took over the business of the National Security Life of Beverly Hills, is changing its name to the Guaranty Union Life.

### NEW YORK NEWS

#### MOVES TO DOWNTOWN SECTION

The North American Reassurance has moved its head office to the 20th floor of 99 John street in New York City. The company heretofore has been located at 250 Park avenue. President L. M. Cathles is head of the organization, which is the only company transacting an exclusively life reinsurance business in the country. The offices of the European General Reinsurance, the casualty company in the Swiss Reinsurance

group of which the North American is a member, are also located at 99 John street. T. C. Hoff, manager of the European General, is vice-president of the North American. The U. S. financial section of the Swiss Reinsurance is also at the same address.

#### \* \* \*

#### SOME MAY FIGURES GIVEN

The Julian S. Myrick agency of the Mutual Life of New York in New York City paid for \$2,211,838 in May as compared with \$1,584,306 for May, 1933. For the year the total paid for business amounted to \$10,563,981 as compared with \$9,221,263.

The Luther-Keffer Agency, general Aetna Life in New York City, paid for \$2,004,569 in May. Total business paid for the year to date is \$9,178,287.

#### \* \* \*

#### LECTURES FOR WOMEN

L. L. Montgomery, well-known life insurance sales consultant, will give a series of five lectures exclusively for women agents, beginning June 12 at the New York Life auditorium. The lectures will be under the auspices of the League of Insurance Women.

#### Redding & Fewes Record

J. P. Redding and Jacob Fewes, of Redding & Fewes, who joined the Continental Assurance ranks as general agents recently, with headquarters in New Haven, Conn., have recorded substantial production and consistent volume in the short time. Mr. Redding has been engaged in insurance for more than 15 years and Mr. Fewes for more than six years with other life companies.

Mr. Redding, a native of New Haven, was a major in the world war. He is a member of the governor's foot guard in Connecticut with the rank of colonel. Mr. Fewes is also well known in New Haven.

#### Seek Single Louisiana Head

NEW ORLEANS, June 7.—A reorganization of the Louisiana insurance commission, by reducing the number of commissioners from three to one, is proposed in a bill introduced in the senate. The commissioner would be appointed by the governor and answerable to him. His salary would be \$5,000 a year. The commissioner would be permitted to name assistants whose duties would be commensurate with those performed by the present three-man group.

#### New I. A. C. Members

Harold E. Taylor, American of Newark, chairman of the publicity committee of the Insurance Advertising Conference, announces that several new members have been admitted to the conference, including J. H. Hawley, president Hawley Advertising Agency, which controls the advertising of the Metropolitan Life; Fred L. Fisher and W. T. Plogsterth, Lincoln National Life, and Jerome Philp, "Eastern Underwriter."

#### Hyde Back on Job

Maurice A. Hyde, vice-president and agency manager of the Security Mutual Life of Nebraska, has resumed his duties after an illness which kept him at home for three weeks.



WHEN YOU NEED it most, life insurance will be ready to serve you: as a credit index, as an emergency reserve fund, as a retirement fund. When your family needs it most, life insurance swings into action for it alone, of all investments, is governed by events and not by time.

#### THE MUTUAL BENEFIT

LIFE INSURANCE COMPANY

300 BROADWAY, NEWARK, NEW JERSEY

## LIFE COMPANY CONVENTIONS

### Honor Paid James L. Loomis

**Winners in Spring Drive Contest Attend Testimonial Dinner to Connecticut Mutual Head**

At the testimonial dinner to President James Lee Loomis of the Connecticut Mutual Life in Hartford the leading general agents from the six divisions in the spring drive present were J. M. Fraser, New York; E. F. Colborn, Rochester; W. S. Buck, Scranton; L. E. Dillehunt, Decatur; C. E. Stevens, Macon, and Claude Fisher, Des Moines.

Leading agents were: M. A. Schwartz (Fraser Agency), New York; Max Slatter (Sanborn Agency), Boston; T. W. Harison, Jr., Baltimore; F. E. Walker, Decatur; W. W. Peterson, Oklahoma City, and H. W. McDonald, Seattle.

#### Three Other General Agents on Hand

Other guests from the field included three general agents, S. T. Chase, Chicago; J. H. Thompson, Hartford, and D. L. Caulkins, Cleveland. These three men, as well as Mr. Fisher and Mr. Buck, were general agents of the Connecticut when Mr. Loomis first became associated with the company. All the directors and the members of the home office official staff were present.

At the testimonial dinner, P. M. Fraser, vice-president, was toastmaster and the speakers were Claude Fisher, Des Moines general agent; L. F. Robinson, director, and Mr. Loomis. Mr. Loomis was presented a set of golf clubs by his associates at the home office. Mr. Fisher, associated with the company for 35 years and one of its oldest general agents, spoke in behalf of the field force.

Looking back 25 years Mr. Robinson recalled that he was the only living

member of the board which voted the appointment of Mr. Loomis as assistant secretary. At that time, he said, he was the only director who had any knowledge of Mr. Loomis "beyond the general knowledge that he was a young country lawyer of Yankee stock and high principles, and a measure of native wit, and a measure of personal potency."

Mr. Loomis pointed out that Dr. C. D. Alton, medical referee, who was at the dinner, is the only present member of the official staff that was an officer when he went to the Connecticut Mutual.

### Standard Life Men in Jackson

JACKSON, MISS., June 7.—The Standard Life of Jackson held a two-day convention here. Some 25 managers who formerly represented the Independent Life of Nashville, recently taken over by the Standard Life, attended, as well as field representatives of the Standard.

It was announced that the consolidation of the business of the two companies has been practically completed, and that the Standard is now paying promptly and in full all death claims under Independent Life policies.

Home office representatives attending were T. E. Hand, executive vice-president; R. W. Hicks, secretary; John G. Hand, manager industrial department, and A. H. Doty, field supervisor.

A. G. Gainey, Meridian, ordinary manager for east Mississippi, was toastmaster at a dinner-dance.

### C. N. Anderson's Meeting

C. N. Anderson of Des Moines, general agent of the New England Mutual, held an outing of his agents and their wives at Clear Lake, Ia. The round-up started with a dinner May 27. E. F.

Bare, Jr., head of the Iowa Agents Association, gave the welcome and presided over the meeting. Florence Whitney, president of the Priscilla Club, the organization of women, also gave the welcome. General Agent Anderson gave a rousing talk. On the next day Lee P. Loomis spoke from the buyer's standpoint. There were a number of agents on the program, the sessions closing with a group conference. On the morning of May 30, E. E. Smith, educational director of the Equitable of Iowa, gave a talk.

### B. M. A. Silver Anniversary Meet

Agents of the Business Men's Assurance who qualify for the silver anniversary convention will meet in Kansas City Aug. 27-29; managers on Sept. 1.

### Three Clubs Are to Meet

Agents clubs of the New York Life, whose club year will end June 30, will

meet as follows: Top club at Del Monte, Cal., Sept. 4-8; \$200,000 club at Virginia Hot Springs, Sept. 24-26; \$100,000 club at Green Lake, Lawsonia, Wis., Sept. 17-18.

### Indianapolis Life Meeting

Indiana agents of the Indianapolis Life held their annual sales meeting Saturday at the home office. E. B. Raub, president; A. L. Porteus, vice-president, and W. H. Huehl, actuary, were among the speakers.

### Columbian Mutual Conference

Mississippi representatives of the Columbian Mutual Life held a one-day convention in Jackson, with R. D. Hall, state manager, in charge. President Scott Fitzhugh and T. A. Thrash, vice-president and superintendent of agencies, attended.

## IN THE SOUTH AND SOUTHWEST

### General Agents Are Honored

**Durrett of Pacific Mutual and Campbell of Aetna Life Celebrate Anniversaries**

LITTLE ROCK, ARK., June 7.—Anniversaries of two general agents were observed here: C. L. Durrett has been with the Pacific Mutual Life 26 years. He joined the company in 1908 as a clerk in the office of L. B. Leigh, then general agent at Little Rock. In 1916, he formed a partnership with M. W. Hardy to take over the general agency and was made sole general agent in 1923. Fifty friends and associates participated in a surprise dinner in Mr. Durrett's honor.

G. H. Campbell was honored at a luncheon on his 25th anniversary as general agent of the Aetna Life. He became Arkansas general agent in 1909. Since then, Campbell, Mallory & Throgmorton was formed as general agent of the Aetna Casualty. Morgan Brainard, president of Aetna Life, sent a bronze plaque for presentation at the luncheon.

### Win Gulf Life Contest

LAKELAND, FLA., June 7.—The Lakeland district of the Gulf Life of Florida won a production contest from the Tampa district, which was celebrated at a meeting here. From the home office were Sumter Lowry, Jr., chairman of the board; T. T. Phillips, president; L. B. Robey, agency director; J. F. Kelly, Jr., manager of agents; J. V. Cole, auditor, and G. A. Rushing, special home office representative. Carl Adair, Lakeland manager, opened the session, and C. W.

King, Tampa manager, presided. President Phillips reported an 80 percent increase in business for the first quarter. Mr. Lowry, Hervey W. Laird, manager Lakeland chamber of commerce, and a number of managers and agents talked.

### Preferred Stock Bill Passed

FRANKFORT, KY., June 7.—A bill to enable domestic life companies to issue non-assessable preferred capital stock has passed the Kentucky legislature and is ready for gubernatorial approval, which is a foregone conclusion.

The Kentucky senate has refused to give the income tax bill its first reading by taking it from committee. The bill has been opposed by life companies on the ground that they already pay a premium tax, and unless an amendment is written into the bill exempting them from its provisions, the bill will result in double taxation for insurance companies.

### Jefferson Standard Meetings Held

A. R. Perkins, agency manager of the Jefferson Standard Life, and H. T. Chidre, superintendent of agencies west of the Mississippi, held a one-day sales congress for the O. P. Schnabel agency at San Antonio, Tex. Sales meetings also have been held at Beaumont, Houston and Dallas.

### Talks on Direct Mail Advertising

Corrine Breeding of the C. C. Day agency of the Pacific Mutual Life talked to the Oklahoma City Insurance Women's Association on direct mail advertising.

## MANAGERS' ASSOCIATION NEWS

### Holcombe and Kenagy Talk

**Research Men Speak to San Francisco Managers on Developments in Agency Management**

Summing up what to him are recent outstanding developments in the life field, John Marshall Holcombe, Jr., manager Sales Research Bureau, spoke to the San Francisco General Agents & Managers Association at a luncheon. Mr. Holcombe stressed the high place which is today occupied by life insurance in the minds of the public. "We used to talk about what life insurance would do," he said. "Now we can talk about what life insurance does." Another development is proper agency planning. "There is," he said, "no question of the fact that there is much more agency

planning today than ever before. There is less majoring in trifles and agency heads are today putting the strokes where they will get the most from them." Agency operations are also on a better basis. "Rare," he said, "is the agency man that is doing well who is not a good business man." He outlined the findings of the bureau as to the chances for success of various types of agents. He told also of the agreement by virtually all companies operating in Canada for the elimination of non-productive agents.

### Kenagy Urges Better Selection

More care in the selection and training of agents was urged by H. G. Kenagy, assistant manager of the bureau. He spoke of the necessity for cleaning up agency practices. This will bring better days in the field. He urged managers not to let agents remain in the business

# OREGON MUTUAL LIFE

Home Office: Portland, Oregon

"Only Mutual Life Insurance Company West of the Rockies"

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who obviously are not going to be successful. It is possible to quickly determine whether or not an agent is going to be successful and the unsuccessful ones should be eliminated. The life insurance buying public has a right to expect that the men who call on them shall be successful and yet, paradoxical as it may seem, today when life insurance is more highly thought of than ever before the attitude of the general public toward agents and those who sell life insurance has not improved. "Why is it," he asked, "men believe in life insurance and wish they had more of it and yet dislike the men selling it or avoid them as much as possible?" The

remedy for this situation is, he said, increased care in the selection and training of men who represent the companies.

#### Behr Is Milwaukee Speaker

MILWAUKEE, June 7.—Louis Behr, Equitable Life of New York, Chicago, spoke at the May meeting of the Milwaukee Association of Life Managers & General Agents. He explained his simplified method of prospecting and the sales presentation which produces \$1,000,000 of paid business a year. Local arrangements for the National Association of Life Underwriters convention here Sept. 24-28, were discussed.

## NEWS OF LIFE ASSOCIATIONS

### Application Day Big Success

#### Cincinnati Agents in One Day Drive Produce \$2,000,000 New Business on 292 Lives

Life insurance men of Cincinnati had a gala day last week celebrating "Application Day" sponsored by the Cincinnati association of Life Underwriters. The production for this day was over \$2,000,000 of new business on 292 lives for an average of \$7,000 per application.

To start the day a breakfast was held at 7 o'clock at which Frank H. Davis, vice-president Penn Mutual, was the speaker. The agents of the Equitable Life of New York, with whom company Mr. Davis was previously associated, presented him a bouquet. Over 275 were present.

The first prize for "Application Day," which was run as a contest, went to J. B. Hambrick, Mutual Life of New York, who wrote 17 applications totaling \$22,870 by 6 p. m. Second prize for reporting the largest number of prepaid applications by 6 o'clock was awarded to C. A. Cottingham, Penn Mutual, who presented three applications. The third

prize was awarded to Sam Herwitz, Mutual Life of New York, who presented 13 applications by 9 a. m. Thursday.

Other prize winners included G. E. Stewart, Sun Life; Raymond Ross, Jr., Mutual Life of New York; Clara L. McBreen, Equitable of New York; C. C. Steele, Connecticut Mutual; Burt Wulkoetter, Massachusetts Mutual, and A. I. Goldstein, Penn Mutual. Each of the prize winners received suitable prizes, the first being a desk clock contributed by the Union Central and other prizes being a pocket watch, electric lamp, vacuum cleaner, suit of clothes.

The Connecticut Mutual had the largest number of agents at the breakfast and will receive tickets for the annual meeting of the Cincinnati association June 21.

The Mutual Life office will receive a complimentary dinner by the association for turning in the largest number of applications per man, 16 men having secured 50 applications. The Penn Mutual was second with an average of 2½ applications per man and Sun Life was third with 2½ per man.

Individual achievements for the day which could not be recognized as officers and directors of the association were not eligible for prizes included a policy for \$160,000 turned in by J. C. Lauer, president, and a \$100,000 policy by E. C. Peebles.

The Cincinnati association is considering making it an annual event.

Mr. Hambrick secured as a total by Thursday morning 26 applications totaling \$93,095. This is all the more remarkable because Mr. Hambrick has been in the life insurance business only for the last three months. He graduated from the Harvard School of Finance in 1923 and has been a security salesman since that time. He moved to Cincinnati about three years ago, having had no previous experience there.

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### W. M. Brooks of Sun Life Is Elected Richmond President

RICHMOND, VA., June 7.—W. M. Brooks, Sun Life of Canada was elected president of the Richmond Association of Life Underwriters at the annual meeting. Other officers are: Spiller Hicks, Provident Mutual, first vice-president; L. W. Wells, Pacific Mutual, second vice-president; C. W. Phillips, Atlantic, secretary-treasurer. W. T. Nolley, general agent Northwestern Mutual, was chosen national executive committeeman and chairman of the executive committee. Other executive committeemen are: H. R. Hill, R. McIlwaine Frazier, E. H. Mears and J. K. M. Newton. Richmond was awarded first place in the nationwide contest among 247 cities during Financial Independence Week. President-elect Brooks served as chairman for the week, both in 1933 and 1934.

In his annual report, President H. R. Hill recommended that annual sales conferences be held. He also voiced hope that plans for the formation of a Life Managers Club to be affiliated with the association will go through. I. T.

## THE LINCOLN NATIONAL LIFE

## INSURANCE COMPANY of Fort

### Wayne, Indiana provides its

### field men with policy pre-

### sentations on popular

### modern contracts. Easy to

### fill in. Easy to explain . . . these

### forms help LNL men sell. \*\*\*\*\*

*"You can bet your money on me! I am going to qualify for the Home Office Convention! I am on my way to Greensboro! Look for me!"*

THIS note is typical of the dozens of replies received in answer to a letter written to the Jefferson Standard Field by President Price.

Jefferson Standard officials are making plans right now for the 1935 Convention, which will be held in Greensboro in the spring of next year.

This is an event eagerly anticipated by all Jefferson Standard representatives.

## JEFFERSON STANDARD LIFE INSURANCE COMPANY

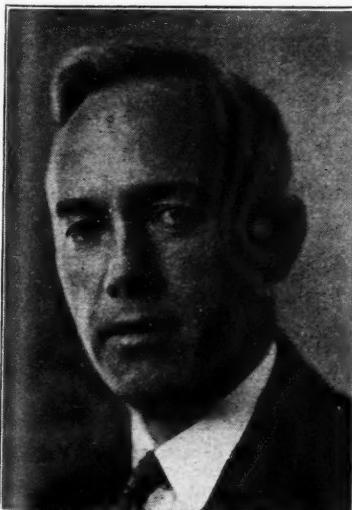
Julian Price, President

A. R. Perkins, Agency Manager

GREENSBORO, NORTH CAROLINA

CHARLES F. AXELSON  
Chicago

C. F. Axelson, Northwestern Mutual Life agent in Chicago, and former president of the Chicago Association of Life Underwriters, becomes president of the Illinois Association of Life Underwriters. Mr. Axelson has long been prominent in civic life. He has been a trustee of the University of Chicago since 1923. He is a trustee of Rush Medical College. He served on the executive committee of the National Life Underwriters Association. He has been president of the University of Chicago Alumni Association and chairman of its alumni council.



COMMONWEALTH  
CORDIAL  
CO-OPERATION

PROVEN STABILITY...  
STRENGTH...SECURITY...

**STABILITY . . . proven by a history of thirty years successful life insurance experience; of capable and efficient management, and steady and consistent growth . . . by having given at all times the fullest protection possible at the fairest cost consistent with safety . . . by having pursued a policy of square-dealing with its policyholders and its agents.**

**STRENGTH . . . proven by total assets of \$14,860,977.00 (Dec. 31, 1933) the largest in the company's history . . . total insurance in force \$115,048,145.00 a net increase in 1933 of \$2,363,000.00, one of the few companies to show a gain.**

**SECURITY . . . proven by ratio of \$1.20 in assets for every \$1.00 of liabilities . . . this "protection margin" has been the same for the past 3 years . . . rated "A" excellent.**

**AGENTS — If interested in representing a company of proven stability, strength and security, write for information regarding our unique contract.**

I. Smith Homans, Vice-President

**COMMONWEALTH  
LIFE INSURANCE CO.  
LOUISVILLE, KY**

F. Ring, general counsel for the State Mutual of Worcester, for which Mr. Hill is general agent at Richmond, talked.

He stressed the importance of emotional appeal in the solicitation of life insurance.

### J. A. Spargur New President of Des Moines Association

DES MOINES, June 7.—J. A. Spargur, manager of home office agency Bankers Life of Iowa, has been elected president of the Des Moines Association of Life Underwriters, to succeed A. H. Pickford.

C. E. Brown was elected first vice-president; A. J. Johnson, second vice-president; W. D. Howland, secretary-treasurer; A. H. Pickford, chairman of the board; Jack Hilmes, member of the board, and Ernest R. Gray, national committeeman.

G. S. Nollen, president Bankers Life, speaking on "The Appraisal of Human Values," said appraisal of the human assets and liabilities of the individual is more important than an appraisal of his financial standing. He declared success is based on human activities, and that activities are the results of thought and ambition.

**L. O. Schriver Goes on Tour Speaking to Local Bodies**

L. O. Schriver, general agent for the Aetna Life at Peoria, Ill., left this week on a two weeks' speaking tour, which will take him to the Pacific Coast. His itinerary is: Kansas City, June 8; Albuquerque, N. M., June 11; El Paso, Tex., June 12; San Diego, Cal., June 14; Long Beach, June 15; Los Angeles, June 18; Lincoln, Neb., June 21.

Mr. Schriver is the second vice-president of the National Association of Life Underwriters and for ten years has been very active in association affairs. He has attended every national convention during that period, except one, and has been an officer of the National Association the past three years. He is speaking before life underwriters associations. The subject of his talk will be: "Where Are You Going?"

**Greensboro, N. C.—R. B. Hull, managing director National association, in his appearance here, announced that the Greensboro association is being awarded second place in the competition for the excellence of its participation in financial independence week. President C. R. Barber of the Greensboro association told Mr. Hull that membership here had been increased by more than 100 percent over last year's figure.**

**Wichita, Kan.—The "ladies night" meeting brought out an attendance of 100. President Leo Porter, Lincoln National, presided and a musical program was conducted under the direction of Lester Weatherwax, John Hancock. Pictures furnished by the Life Insurance Sales Research Bureau, entitled "You and Your Future," were shown. Bert Hedges, Business Men's Assurance, spoke on "This Business of Ours." Harry Stanley, Equitable of Iowa, was in charge of arrangements.**

**Madison, Wis.—The following officers have been elected: President, Mortimer Huber, Aetna Life; vice-president, W. C. Rhodes, Business Men's Assurance; secretary, R. L. Hesse, Lincoln National; treasurer, M. C. Graff, Mutual, N. Y.; directors, M. W. Smith, Equitable, N. Y.; H. Lievestad, New York Life; H. J. Endres; national committeeman, Frank Horner.**

**Fort Wayne, Ind.—An old-fashioned political convention was staged at the meeting May 31, when candidates for office were nominated. Balloting is to be by mail, and the results will be made public June 10.**

Political speeches, chiefly against the nominees, were made with great enthusiasm, and parade through the hall with banners and bagpipes added to the hilarity. Nominees are: For president,

V. J. Harrold and Howard Meid; vice-president, C. M. Carter and Warren Reichert; secretary, Zura Z. Brown and Charles Worden; treasurer, W. C. Dunbar and J. R. Geiger; executive committee (two to be chosen), Lloyd Armstrong, Kenneth Eckhart, Herbert Poelber and T. P. Riddle, Jr.

**Colorado**—The Colorado association has awarded cash prizes aggregating \$95 for best essays on life insurance subjects in a contest conducted among high school students through the co-operation of the Colorado federated women's clubs.

**North Dakota**—F. E. Weidenborner, Jr., superintendent of agencies Guardian Life, addressed the North Dakota association on "Sales Trends." The North Dakota and western Minnesota branch of the Guardian, with headquarters in Fargo, of which R. A. Trubey is manager, held an agency conference with Mr. Weidenborner. J. R. Seifert, Barnesville, and W. A. Farrell, Fargo, were announced winners in an agency contest, and awarded prizes.

**Nashville**—Procedure preliminary to the organization of a state association in Tennessee on a permanent basis was disposed of at the meeting of the Nashville association. The constitution and by-laws, recommended by the National association, were adopted, after having been presented by A. Walton Litz, Great Southern Life.

The final organization meeting of the state association will be held this month. Cecil Woods, Bankers Life of Iowa, was elected state committeeman, and

Elmo Phillips, Life & Casualty, was chosen as delegate-at-large at the June meeting.

R. P. Thierbach, assistant director of agencies Northwestern Mutual, spoke on time control.

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**Rochester, N. Y.—W. H. Wall, Penn Mutual, was elected president at the annual meeting. L. D. Somer, Northwestern Mutual Life, was named vice-president; C. W. Knox, secretary-treasurer. Mr. Wall, W. D. Follansbee, Connecticut General, and E. A. Murphy, John Hancock, were elected directors for three years and C. W. Rowe, Equitable Life of New York, for one year.**

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**Kansas City, Mo.—L. O. Schriver, Aetna Life, Peoria, Ill., second vice-president of the National Association of Life Underwriters, speaks June 8. C. Vivian Anderson, national president, spoke to about 260 last week.**

\* \* \*

**Richmond, Ind.—Ernest A. Crane, Indianapolis, general agent Northwestern Mutual, spoke at the last meeting.**

\* \* \*

**Omaha**—Dr. C. J. Rockwell, life insurance educator, will be the headliner at the meeting June 12, which will take the form of a brief sales congress. He will speak at an educational session at 10:30 a. m. and also in the afternoon.

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**Ottumwa, Ia.—L. O. Schriver, Peoria, Ill., general agent Aetna Life, and a vice-president of the National association, spoke at a luncheon meeting.**

## NEWS OF THE FRATERNALS

### Equitable Reserve Gathering

**Delegates From Many States Attend Convention Held at Home Office in Neenah, Wis.**

The quadrennial convention of the supreme assembly of the Equitable Reserve Association was held at the home office in Neenah, Wis., June 5-7, with 150 delegates attending from many states. Judge J. C. Karel, Milwaukee, president, extended welcome. F. J. Sensenbrenner, president Kimberly-Clark Paper Co., and Mayor Campbell also welcomed them. Response was made by Judge L. D. Verdier, Grand Rapids. Judge Karel delivered his annual address.

Reports were made by N. J. Williams, vice-president; G. A. Comstock, secretary; Orrin Thompson, vice-president and treasurer; J. S. Tolversen, trustee and manager of investments; Dr. G. H. Williamson, medical director, and Dio W. Dunham, editor and publicity manager.

There was a business session the second morning and during the afternoon a junior demonstration, junior assembly meeting, initiation of junior candidates, and parade of bands, drum corps, drill teams, delegates and supreme officers. An entertainment was given by the Fox River Valley district organization.

### Five Additional Societies in Oklahoma Sued for Taxes

OKLAHOMA CITY, June 7.—Suits have been filed in district court here against five more fraternals for back taxes and penalties. The action, ordered by Governor Murray, was taken against the North American Union Life Assurance, for \$4,245; Grand Fraternity, \$3,541; Woodmen Union Life, \$8,537; Columbian Circle, \$12,273; Continental Beneficial, \$5,907, and Loyal American Life, \$12,956.

This brings the number of fraternals against which such action has been instituted up to 46.

### Resigns as New Jersey Manager

Fred Lieberich, Jr., of Newark has resigned as New Jersey manager of the Jefferson Standard Life.

### Hegg Heads Lutheran Mutual

**Number of Changes Were Made at the Delegate Convention Recently Held**

The regular triennial delegate convention of the Lutheran Mutual Aid of Waverly, Ia., was held at Columbus, O. It was attended by 218 delegates and a large number of guests. J. E. Hegg, superintendent of agents, was elected president. J. H. Duis, Flanagan, Ill., a member of the board, was elected treasurer. W. G. Voecks, the present secretary and actuary, was elected to fill the unexpired term occasioned by the death of G. A. Grossmann, formerly secretary. Rev. Wm. von Fischer, member of the board of directors since 1911, was reelected for six years.

New members of the board also elected for a term of six years are Jacob Diehl, D. D., Lock Haven, Pa.; E. J. Geyer, banker of Saginaw, Mich., and Rev. F. J. Schellhase, Youngstown, O.

The directors will hold an organization meeting June 22 to determine all matters made necessary incidental to the convention.

A few minor amendments of the by-laws proposed by the board were accepted unanimously. The office of chairman of the board was created through an amendment.

### Luxemburger Brotherhood Report

The Illinois department has released the report of the examination of the Luxemburger Brotherhood, a fraternal in Chicago. The state insurance director, in commenting on the report, asserts that the management is subject to criticism for investing its funds in the partial issue of a mortgage loan in violation of the statutes and also in the partial issue of real estate bonds. No securities, he said, should be purchased in the future until the value of such has been thoroughly investigated as to legality. The investments, he holds, should be of a more liquid nature. A death claim register should be installed and all claims should be entered at once as soon as notice is received. A general ledger and securities register should be installed. Minutes of the grand council and supreme assembly should be kept in English. Dec. 31, it had \$7,776 assets and \$157 liabilities.

## Silver Jubilee



JAMES LEE LOOMIS

President James Lee Loomis of the Connecticut Mutual Life was honored last week at a banquet in Hartford on his 25th anniversary with the company. He started in 1909 as assistant secretary and in 1918 was elected vice-president and became a director. When H. S. Robinson, president, died in 1926, Mr. Loomis succeeded him. A campaign was carried on in honor of the silver jubilee and among those attending the banquet were the head of the leading agency and leading agent in each of the six divisions which participated in the contest. There was a goal of \$20,000,000 set in new business on 5,000 lives for a period of six weeks. The results showed 7,268 lives and \$32,250,988 new business.

## Wonderful Book Will Be Out Soon

(CONTINUED FROM PAGE 3)

and the price of \$100 annually, \$50 semi-annually and \$10 monthly.

Section III is devoted to reserve and other miscellaneous tables, especially useful in programming and estate survey work. Since the usual policy tables cover only 20 years of cash values, this section is necessary in determining the reserve values at the later years.

There is also a table of net premiums for paid-up insurance for calculating the amount of paid-up insurance which may be purchased by any given cash value, and the cash value of any paid-up life policy.

Section V contains classified supplementary data on all companies including date of organization, address, home office officials, states in which companies operate, substandard risks, history of dividend changes since 1917, company practices as regards retroactive principles, aviation, business in force classified. Immediately following this section will be found a list of company changes in name, mergers, etc., since 1909.

Nearly 85 percent of all of the thousands of questions put to our statistical department each year are answerable directly from the "Unique Manual." Probably 99 percent of the questions of the sort that the average district agent may have to answer are right in the "Unique Manual."

Copies of the new 1934 "Unique Manual" will be sent to all that have placed their orders, promptly upon publication about June 15. Additional orders should be sent in now to THE NATIONAL UNDERWRITER, 420 East 4th street, Cincinnati. Single copy, price, \$5.

## Sale of Annuities Said to Be on Increase in England

Life insurance people will be interested in the observations as to certain features of the life department operations of the Eagle, Star & British Dominions of England, made by Sir Edward M. Mountain, chairman and managing director, at the recent annual meeting.

For instance, Sir Edward reported that the consideration for annuities is £130,000 in excess of that obtained in the previous year. "This shows the tendency on the part of the public," he commented, "to invest their money in annuities, which undoubtedly are especially attractive, because the yield to be obtained on first class securities is so low, while the annuities are fixed and run no risk of diminution."

Furthermore, the company showed an increase in group pensions and a greater number of such plans were completed last year than in any previous year. "I anticipate," he said, "that with the revival in industry more firms will take advantage of this service."

Those in the abstainers' section received a larger bonus than policyholders

in the general section, the experience of this fund having shown for many years a marked superiority in the longevity of the abstainer as compared with non-abstainers. The mortality, he said, in the temperance section was only 59 percent of the expected, while in the general section it was just under 84 percent. For the past 50 years, up to 1933, inclusive, mortality in the temperance section was only just over 52 percent of the expected, as compared with nearly 79 percent in the general section.

## Will Honor President Raub

June has been named "President's Month" by the Indianapolis Life in honor of President E. B. Raub and objectives have been set at 1,200 applications and \$2,000,000 of new business. The special effort will continue from June 4 to July 4. The company reports a gain of 46 percent in business for the first four months over the same period last year and the largest increase in insurance in force for any similar period since 1931. The increase in assets for the first four months is also reported as greater than the increase in the first six months last year. Cash and government bonds have increased 16.7 percent since Jan. 1.

## "Old Hutch," Famous in Illinois Life Circles, Dead

E. J. Hutchinson of Champaign, Ill., familiarly known to many people as "Old Hutch," for many years general agent of the Illinois Life, died suddenly Tuesday morning at the age of 71. He became general agent of the Northwestern National Life in December, 1932. He entered the service of the Illinois Life in December, 1906. He was one of the great characters of the old Illinois Life organization, quaint, amiable, whimsical, humorous and philosophical. His physical appearance was in harmony with his mental qualities. At every Illinois Life gathering he was a star performer. Although he had been failing in health during the last few months his death was unexpected. His personal production during last year was \$283,000. He produced some business personally each month this year until June.

Strong's "Psychology of Selling Life Insurance" is a marvelous book on the technical processes in buying and selling appeals and reactions of the prospect. Price, \$4. Order from The National Underwriter.

# LINE UP With The LEADER!

## INSURANCE SALES MEN

*How would you like to make  
UP TO \$200.00 WEEKLY?*

While scores of ordinarily profitable insurance deals have offered salesmen only a bare existence in the past few years, NATIONAL AID Representatives have PROSPERED. Yet, 99% of them had no previous insurance selling experience and most of them had never before sold anything in their lives. If National Aid Life can make \$30 and \$40 a day for the ordinary man, what a profit opportunity it holds for men like you, who are experienced insurance salesman! If you are making less than \$200 a week, investigate NATIONAL AID at ONCE!

### New Old Line Legal Reserve Life Contract Backed by \$100,000 IN U. S. GOVERNMENT BONDS

In addition to the protection offered by its thousands of established policyholders, National Aid Life is today backed by a deposit of \$100,000, held as security by the state, to insure full payment of every just claim.

### Easiest Selling Ever Exclusive Life Policy Features

Think of offering your customer a life policy in an Old Line Legal Reserve Company at this amazing low cost — a contract that pays cash benefits up to \$1,000 for death, that contains

#### Read these Features:

1. Old Line Legal Reserve Policy
2. Same Low Premium Regardless of age
3. No Medical Examination
4. Age Limits 1 to 65
5. Premium Cost Only \$1 Month

Sell National Aid Life exclusively, or use it as a "trump card" when you can't sell an expensive policy. You'll make money any way you handle it!



Clip Coupon Now

**NATIONAL AID LIFE**

SPRINGFIELD, ILL.

Name .....  
Address .....  
City ..... State .....

DEPT. X34

## NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

### Two New Juvenile Contracts

**Security Mutual Brings Out 20 Year Endowment and 20 Pay Endowment at 64**

The Security Mutual of Binghamton, N. Y., has brought out two new children's policies which may be written on children from birth up to age 10, a 20-year endowment and a 20-payment endowment at 64. They have standard provisions, including cash values from third year on, the usual dividend options commencing with second year and graded death benefits of the maximum amount permitted under New York law.

#### Payout Benefit Arrangement

The payout benefit provision, which may be added if desired, waives future premiums in event of death of applicant until assured has reached age 21. These are written in amount of \$1,000 only. Control remains in hands of applicant until the child attains age 21. The payout benefit is designed to make the insurance fulfill its purpose in case the person paying the premiums should die. The payout benefit for additional premium provides that if the payout dies prior to age 21 of the child, the company will waive payment of future premiums as they fall due until the child is age 21. The payout benefit age limits are 20-55, inclusive.

On juvenile policies issued with payout benefits, the company will consider additional insurance on life of applicant up to \$3,000 on any standard plan without extra medical. Rates for the two forms are:

#### 20 Year Endowment

Age	Prem.	Dividend				
		2	5	10	15	20
0	\$45.15	\$1.00	\$2.35	\$4.82	\$7.19	\$9.92
1	45.93	1.06	2.41	4.88	7.16	9.92
2	46.38	1.15	2.50	4.87	7.16	9.93
3	46.61	1.26	2.61	4.87	7.16	9.94
4	46.77	1.38	2.73	4.87	7.17	9.95
5	46.89	1.50	2.84	4.87	7.18	9.96
6	47.02	1.61	2.95	4.87	7.19	9.96
7	47.14	1.74	2.95	4.88	7.19	9.98
8	47.26	1.86	2.96	4.89	7.20	9.99
9	47.36	1.98	2.97	4.90	7.21	10.01

#### 20 Pay Endowment at 64

Age	Prem.	Dividend				
		2	5	10	15	20
0	\$23.12	\$0.78	\$1.50	\$2.77	\$3.72	\$4.73
1	23.64	.89	1.61	2.89	3.76	4.80
2	24.13	1.00	1.72	3.90	3.79	4.85
3	24.52	1.11	1.84	2.92	3.84	4.93
4	24.89	1.23	1.97	2.96	3.88	4.98
5	25.26	1.35	2.10	3.90	3.93	5.06
6	25.65	1.48	2.22	3.02	3.98	5.13
7	26.06	1.60	2.25	3.06	4.04	5.21
8	26.47	1.71	2.26	3.10	4.10	5.28
9	26.89	1.84	2.28	3.12	4.15	5.36

#### Business Men's Assurance

The Business Men's Assurance has announced that hereafter no accidental death benefits will be issued, whether as principal sum benefits under accident policies or as double indemnity in connection with life insurance, in such an amount as to increase the total amount of such benefits carried by the applicant to more than \$25,000.

#### National Guardian Life

The National Guardian Life of Madison, Wis., has revised its annuity rates in view of the general trend of the times. One new contract is included, it being the joint and last survivor annuity. Dividends for the retirement annuity and single premium deferred annuities have been changed.

### Increasing Premium Contract

**Continental Assurance Brings Out Permanent Ordinary Form With Low Cost Benefit of Term**

The Continental Assurance of Chicago brought out an ordinary life increasing premium policy which without necessity for conversion as with term insurance, gives the low cost benefits of the term policy over a period of years, and also advantages of permanent insurance. This is a nonparticipating contract issued ages 15-60, in amounts between \$2,000 and \$100,000. The first annual premium is approximately that charged for ten-year term at same age at issue. Each succeeding premium increases uniformly so the premium the 11th year and thereafter is that for ordinary life at a rate for age six years younger than the then attained age.

#### Provisions Regarding Values

Policy values commence at the end of the sixth policy year for ages at issue 15-22, inclusive, at end of fifth policy year for age 23-32, end of fourth policy year for ages 33-44, end of third policy year at ages 45 and up.

The policy will be written on both men and women who are standard risks. Double indemnity and disability benefits may be included. Illustrative rates at quinquennial ages are:

Age	Yr.	1st		11th		1st		11th			
		Yr.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.		
15	\$7.88	\$13.48	40	\$12.85	\$29.85	20	\$8.20	\$15.10	45	\$15.67	37.27
25	8.59	17.19	50	20.17	47.17	30	9.36	20.06	55	26.94	60.44
35	10.76	24.26	60	38.48	79.88						

### Withdraws Extension Method

**Equitable Life of New York Feels Emergency Service Can Now Be Discontinued**

The Equitable Life of New York states that notwithstanding the fact that during the last few months business conditions have improved, it finds that there has been an actual increase in the number of premium extension transactions. Because of the unusual economic conditions, the Equitable liberalized its extension service by granting an additional three months on annual premium policies. This was an emergency move. The Equitable feels that a continuance of this feature can be dispensed with. Therefore it announces that the emergency rule with respect to nine months extension on annual premium policies except term, economic adjustment and family income, which is now applicable up to Dec. 31, 1934, will be continued for the period ending June 30, 1935, with the qualification that any premium extension for more than six months beyond the due date shall not end later than June 30, 1935. It states that habits once formed are hard to break and it would seem as though many policyholders and agents who have been utilizing the extension service have developed the habit of doing so to a point where it may have become the usual rather than the unusual procedure.

### Too High Liquidity Is Deemed Harmful

(CONTINUED FROM PAGE 1)

The straight, single-premium life annuity, of course, does not present the problem of sudden demand for cash, although it does make a good yield on investments necessary. However, Americans are much less prone than Europeans to sink their capital in a non-refund form, preferring, even when they have no one to leave their money to, to have the illusion of eating their cake and keeping it. Hence they like a form which does not require them to commit their funds irrevocably even though it means somewhat less in the way of return.

### O. J. Lacy Named Head of California-Western States

(CONTINUED FROM PAGE 1)

About a year ago Mr. Lacy was laid up for several months with sacro-iliac trouble, but he is now in first class physical condition.

Mr. Lacy was born in 1884 at Prairie du Chien, Wis., and was educated in the public schools at that place. He had experience as a civil engineer and later as a locating and construction engineer for the Chicago, Milwaukee, St. Paul & Pacific railroad until 1908. Then he served as a contractor-engineer and for a time was engaged in the banking business.

His first life insurance experience was with the New World Life, with which he was stationed at Billings, Mont., as state agent from 1914-1920. He then joined the Shenandoah Life and served as agency manager about a year. In 1922 he formed a connection with the Minnesota Mutual Life, being elected second vice-president and superintendent of agents. In 1929 he was elected vice-president and in 1932 was named executive vice-president.

#### Haz Knowledge of Coast Conditions

Mr. Lacy has a thorough knowledge of conditions on the Pacific Coast, not only because of his years of experience with the New World Life, but because the Minnesota Mutual is active on the coast.

Mr. Lacy assumed his new duties immediately, having been in Sacramento for the last several days.

Selection of Mr. Lacy as its new president completes the reorganization of the California-Western states life's official family, started two months ago. The conference examination of the company by the departments of California, Oregon, Washington and Utah has been concluded as of April 30, and a statement of condition and balance sheet drafted as of this date. With bonds not subject to amortization and all other assets brought down to their actual market value on April 30, surplus to policy holder amounts to \$1,443,106, with cash on hand of \$1,616,000.

Alden Anderson, who recently resigned as chairman of the board, remains a director.

#### Atlantic Life

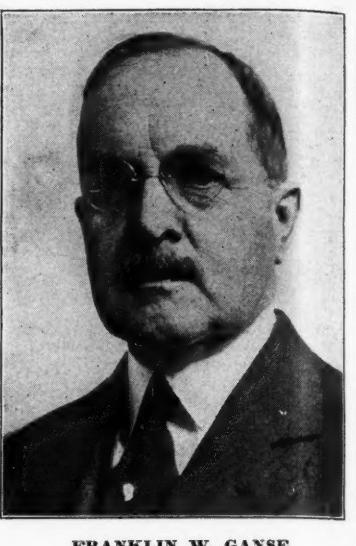
The Atlantic Life has announced that its paid-up at 60 and 65 contracts may be preceded by initial term contracts of two, three or four years duration carrying waiver of premium disability. While neither the term nor paid-up contracts are new, the combination and addition of the disability feature is a recent development. Disability rates depend upon the contract to which the term is automatically convertible and are quoted below:

Pd. up		Pd. up		Pd. up	
Age	at 60	at 65	Age	at 60	at 65
21	\$0.41	\$0.45	35	\$0.75	\$0.84
25	.48	.52	40	1.04	1.15
30	.58	.65	45	...	1.69

#### Lincoln National in Virginia

The Lincoln National Life was admitted to Virginia, principal office to be in Norfolk in charge of Ben Simon.

### At the 75th Milestone



FRANKLIN W. GANSE

Franklin W. Ganse, active in national life insurance affairs for many years, was honored by his associates in the Paul F. Clark agency of the John Hancock Mutual Life in Boston on his 75th birthday, with 80 members of the agency in attendance. A birthday cake with 75 candles decorated the table and a fine oriental rug was presented the guest of honor. Mr. Ganse has served as president of the Boston Life Underwriters Association, has been treasurer and many years trustee of the National Association of Life Underwriters, treasurer and trustee of the American College of Life Underwriters since its inception; is now representative of the National association to the United States Chamber of Commerce, chairman of the committee on cooperation with trust companies of the National association and organizer and past president of the Boston Life Insurance Trust Council.

### Nominees in San Francisco Chosen, Two for Each Post

SAN FRANCISCO, June 7.—Myron L. Fairchild, manager Connecticut General Life, and William R. Spinney, Fidelity Mutual, were nominated as candidates for the presidency of the San Francisco Life Underwriters Association at a primary nomination meeting June 5. Mr. Fairchild is now first vice-president of the association. Mr. Spinney is chairman of the ways and means committee, which drafted the new constitution and by-laws under which the meeting was held. A. J. Cawley, John Hancock Mutual, and Tom Gallagher, Prudential, were nominated for treasurer. Nominees for vice-president representing the personal producers section are J. M. Hamill, Equitable of New York, and W. J. Lennox, New England Mutual. W. J. Arnette, Fidelity Mutual, and P. G. Young, Metropolitan, now president of the association, were nominated to represent the general agents and managers section. H. V. Montgomery, State Mutual Life, was nominated for vice-chairman of this section and W. D. Lipe, Oregon Mutual, for secretary-treasurer. J. O. Klein, manager Burlingame office Metropolitan is the unopposed nominee for vice-president representing the Chartered Life Underwriters section. The election will be held June 26.

#### Riehle Goes Abroad

T. M. Riehle, New York City general agent of the Equitable Life of New York and his son, Theodore, Jr., are sailing on June 13 on the "Lafayette," to meet Mrs. Riehle in Paris, and will return shortly thereafter with her to New York.

# SALES IDEAS AND SUGGESTIONS

## Advertising and Circularizing for Prospects Prove Highly Successful for W. Leon, New York Producer

Agents who find it hard to mix their social and business lives and thereby increase their production may take heart from the career of Walter Leon, one of the leading producers of the Knight agency of the Union Central Life in New York City.

Mr. Leon didn't like to mix social and business activity. He felt that it just wasn't his style of doing business. Also, when he got away from business he wanted to get clear away. He felt he had something better to do with his leisure time than to subordinate it to his work.

### Uses Advertisements and Direct Mail for Prospects

So Mr. Leon made advertising and a consistent campaign of circularization do the work of supplying new prospects. Neither has proven to be any magic wand, but they have done and are doing what Mr. Leon expected them to. He has been using the circularization method for some years. His experience with display advertising in leading New York papers is more recent, but it looks promising.

There is no mystery about getting names to send circulars to, he says, nor is it necessary to use any special form of letter. His company supplies such literature. Many other companies do the same for their agents, so his advantage is not unique in that respect. Any list of people with money is good, he states, and names taken judiciously from the telephone book are about as good as any.

### Patience Required While Campaign Bears Fruit

Patience and willingness to wait a reasonable time for results are part of his methods. It may be two or three months before any results show up, and in the case of the circularization he did in 1926 it was not until two years later that the peak of the resulting business was reached.

The prospects who return cards are not in every case sure-fire buyers, but the circularization plan has proved a paying proposition for Mr. Leon. It has done what he asked of it. It provides him with an adequate supply of good contacts without his having to resort to his friends, his clubs or lodges.

The fact that practically all the men he calls on have more or less close connections with other life agents is the least of Mr. Leon's troubles. He has found that many agents reach a saturation point with their clients, losing their power to stimulate the client's desire to buy any additional life insurance.

### Sells Several Millions Despite Friend in Business

In one case a prospect had bought \$100,000 through a personal friend with whom he was still in close contact. Mr. Leon succeeded in selling him several million more.

Although he is a believer in a simple easily understood type of programming, Mr. Leon believes it is a mistake to try to foresee all possible contingencies at the time the policy is issued, but that these should be taken care of as they arise during the assured's lifetime.

Mr. Leon uses, in addition to advertising and return-card circularization, the method of writing a letter to the prospect and following it up whether or not it is answered. He has found this also is a profitable way of getting business.

A factor which aids him in using such methods is his liking for meeting new situations as they come up. To him a personal introduction from a present client is not at all essential. The degree of interest implied by the prospect's mailing in the reply card is all the opening that he asks. Experience has shown him that his own abilities and the law of averages will produce a satisfactory volume of business.

An agent going to call on a prospect under such circumstances should not overlook the respect that the prospect has for him as a representative of a first-rate company, says Mr. Leon, and should conduct himself accordingly, having a consciousness of the value of his product and the worth of his services.

A most important factor, he has

found, is for an agent to keep his personal finances in good order. No matter how small his income, he should budget it so he can live within it. Otherwise, his frame of mind will be such that he cannot do justice to his prospect or to himself.

### Compares Legal Reserve Coverage to Hour Glass

A good conception of legal reserve life insurance is provided by the Travelers, which develops an analogy between such insurance and the old-fashioned hour glass.

The Travelers points out that the saving factor in a life insurance policy is like the sand in the lower globe of the hour glass. As each year passes, it increases, until when the contract matures, a whole or a part of the face of the contract (depending on the plan) has accumulated in the form of savings, available for the use of the policyholder himself.

### Small Policies Are Backbone of Business

The first 100 policyholders of Henry Phillips, general agent Northwestern Mutual Life, Syracuse, N. Y., written between Oct. 12, 1897, and Dec. 31, 1898, in the ensuing 36 years have had at least ten to one value for him. On reviewing the records of these first 100 lives that he wrote, he finds he has written additional insurance on them amounting to \$1,088,000. The original 100 cases were small, totalling only \$148,250, the largest being \$5,000 and there being only two of these. There were two cases for \$500, 59 cases for \$1,000, one for \$1,250, three for \$1,500, 22 for \$2,000, nine for \$2,500, two for \$3,000 and two for \$5,000.

Mr. Phillips finds that eight were newspaper workers, four salesmen, 16 students, seven teachers, one clergyman, two shoe dealers, one tobacconist, one manufacturer, nine book-keepers and accountants, 29 mercantile or law clerks, three printers, two laborers, one barber, one real estate dealer, three lawyers, two art dealers or jewelers, one painter, one architect, one chemist, three physicians, one dentist, one optician, one book-binder and one electrician.

### Advantage in Writing Many Lives Early in Life

Mr. Phillips said his purpose in compiling the record was to emphasize the advantage accruing to an agent in his later years through writing a large number of lives in the period when he is laying his business foundation. When he wrote these policies 36 years ago there was less public confidence in life companies than today, competition was different, there were many difficulties to overcome. The public was timid and small policies were the rule.

### Notes Several Clients Who Went Up in World

"Estimate the yield on that original 15 months' work, and remember that I am still writing insurance after the lapse of 36 years upon the lives of some of these 10 men and their sons," Mr. Phillips comments. "The law of average will show results in your business provided you create a sufficiently large number of units to make it work. Out of every 100 lives written during the period of 20 years when I gave my whole time to the writing of applications, analysis shows similar results as high as I have outlined."

"Plenty of 10's, 25's and 50's, and some policies of larger denomination

will come to you later on from the men whom you are writing in your apprenticeship years. Therefore, make hay while the sun shines and set your stake at not less than 100 paid for lives per year.

"One of my first 100 lives was engaged in the retail tobacco business. I sold him a \$2,000 term policy and he paid premiums on a semi-annual basis. He later became the president of one of our largest tobacco corporations. Another was a real estate man, but is today at the head of one of our largest steel corporations. This man purchased a \$2,000 policy to put his insurance up to \$5,000, as he expressed it, and he added that this would be all the life insurance that he would ever require. Times and circumstances changed, and he afterward bought our limit. The future of neither of these men could have been predicted 36 years ago.

"A clerk in a shoe store in 1898 who purchased a \$1,000 policy now carries \$50,000 through me. The clerk in a manufacturing business for whom I wrote \$2,500 now carries our limit and a much larger amount placed by me in other companies. A student written for \$1,000 ordinary life is now sales manager for a large industrial business in western New York and holds \$50,000 in the Northwestern."

### Pays Younger Agents to Sell Many Small Policies

"Suppose that I had written only 50 lives during the period considered and the other 50 had been lost to competitors, would the Northwestern be able to list among its prominent policyholders several of these names, and what about the commission account?

"My suggestion to young men who are entering the life insurance sales business is that they overlook no opportunity right now of writing small policies. Clerks, accountants, bank tellers, salesmen and others who are taking their first steps in commercial and professional activity, offer an unsurpassed field for cultivation. In later years some of these men will become prominent in the life of their community and sure prospects for additional life insurance."

"And finally, a considerable portion of the reinsurance under policies of substantial amounts came to me without serious competitive effort."

### One Out of Three "Apps" For \$100 a Month Plan

The Travelers, which has been promoting the sale of insurance on the so-called hundred a month plan, finds that about one out of every three applications submitted to the home office is on this plan. Applicants are applying for \$100 a month for one, two, three, four or five years. Most of the monthly income policies written in the past were for a larger amount than these and for the most part were written on the lives of men who already owned considerable life insurance.

### Reaches Class of People Uninformed on Income Plan

Therefore, the \$100 per month plan is reaching a class of prospects who previously knew very little of the advantages of monthly income settlements or who have considered monthly income settlements as something for which the big buyer alone was eligible.

The Travelers points out that the monthly income plan demonstrates, as nothing else can, the necessity for buying life insurance in large amounts.

The man who owns \$10,000 life insurance payable in a lump sum, often considers himself well insured. That is more money than he has ever seen at one time. It seems to have infinite possibilities. But as a matter of fact, \$10,000 at 5 percent interest is only \$500 a year or slightly over \$40 a month. Translated into monthly income, \$10,000 becomes \$100 a month for approximately 10 years.

### Present Period Is Similar to Post-War Era

The Travelers feels that the country is in a period now similar to the years immediately following the war. Many men now earning moderate salaries are likely to make substantial advances in the next five years. It is difficult to determine who they may be. The safest course is to write as many new prospects for \$100 a month for as many months as they can afford today and to keep in close touch with these policyholders during the next few years.

The Travelers has already started to mail the monthly checks to a beneficiary under the \$100 a month plan. The first \$100 a month contract to go into action, matured as a result of an automobile accident on Feb. 10.

### Analogy Is Used to Sell Policies

A convincing reason why old policyholders are good prospects has been recently set forth by G. H. Beamer, unit manager of the home office agency of the Lincoln National Life.

"If three years ago you had sold me a piece of real estate for \$5,000 and today that same piece of real estate could be sold for \$6,000, you and I would not be enemies," Mr. Beamer points out. "If two years ago you had sold me some stock for \$1,000 and I could sell the stock today for \$1,500, we would be rather friendly, wouldn't we?"

"The analogy between these two deals and the sale of a life insurance policy two or three years ago is perfect," Mr. Beamer continues. "If you sold a man a life insurance policy you have sold him a bargain. You have sold him something that will cost him more money today. You have sold him something that he cannot duplicate today, especially if he has disability benefits on it."

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NO CASH LOAN or CASH SURRENDER VALUES  
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Excellent opportunity for salesmen—Illinois, Michigan, Indiana, Missouri.

INTERSTATE RESERVE LIFE

Rates: American Experience, 4% + \$2.50 l.dg.

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CHICAGO

## Lackey Is Elected Head of General Agents Association

(CONTINUED FROM PAGE 1)

Burt Wulfekotter, Cincinnati, was made president of the group at a luncheon Tuesday attended by 18 Massachusetts Mutual members. The new officers of the supervisors' group elected Tuesday afternoon are R. D. Lichtenman, New York, president; John K. Sieger, St. Louis, secretary, and Paul E. Clark, Detroit, vice-president.

C. E. Pejeau, Cleveland, presided at the supervisor's session where recruiting, training for early production, prescribing in individual cases and agency meetings were discussed. The discussion leaders were Paul Clark, C. R. White, New York; Jeff Gros, Memphis, and Mr. Lichtenman.

### What Price Replacement?

The convention closed Wednesday noon after hearing George E. Lackey on "What Price Replacement?" Superintendent of Agencies W. M. Benton on consecutive weekly production and three playlets.

Vice-president Perry, in his address, said this was not a suitable time for setting up any set investment policy. Entirely aside from current uncertainties he cited the failure of the best financial minds of the nineties to predict even closely the interest trend of the succeeding 20 years.

Among factors favorable to higher interest rates he listed the deferred purchasing power of four years of depression, the fact that eras of great advances are not projected on an interest rate of 2½ percent, and the possibility of new inventions opening up fields as vast and important as automobiles.

### Marked Down to Bone

Massachusetts Mutual investments, he said, were in many cases valued in the company statement at less than figures permitted by insurance departments, and in addition a contingency reserve has been set up. Some railroad bonds are not paying interest but they constitute but one-tenth the railroad holdings of the company. Utility issues held show no defaults in principal and only one issue in interest default. Real estate is being held for better prices.

There is no reason at this time to fear serious inflation, said Mr. Perry, and swings in purchasing power making 73 cents in 1899 equal to \$2 in 1920 have been experienced without any general realization of the inflationary character of these events, he pointed out.

The large cash account of the company, Mr. Perry declared, was due to preparation for any sudden and unforeseen increase in policy loans, to a scarcity of good investment issues, to dangers of losing any advantage in interest return by impairment of the principal and to the determination of the company to face no necessity for any borrowing of money or forced selling of securities.

## Substantial Profit in Persistency Is Proved by Doolin

(CONTINUED FROM PAGE 3)

With the specifications of the three identical, the difference in ability under consideration is measured by five factors: First year expenses, renewal expenses per policy, average size of policy, average premium per policy and second year renewal ratio.

Applying these five factors, Mr. Doolin said that there was a difference of \$377,000 in the profits of Agency I and Agency III. By greater effort toward efficiency of operation and greater attention to quality of business General Agent III had been able to equal the performance of General Agent I he

## Completes 25 Years



S. J. HERZBERG

On the completion of 25 years with the Prudential, S. J. Herzberg, manager of the ordinary department for Wisconsin, was honored at a dinner in Milwaukee. A. E. N. Gray, assistant secretary, was toastmaster. There were 75 in attendance, including more than 25 members of the company's Old Guard. Mr. Herzberg received numerous valuable gifts, including the company's 25-year scroll and pin. The Old Guard of the agency presented him a beautiful silver trophy and superintendents of the industrial department in Milwaukee gave him an elaborate desk set. The agency force reported the largest May business in the last four years.

Mr. Herzberg joined the Prudential in Milwaukee on June 1, 1909, as assistant to his father, the late Joseph Herzberg, whom he succeeded as manager on the latter's death in 1926. His father celebrated his silver jubilee with the Prudential in 1924. His son, W. S. Herzberg, is now superintendent of agencies in Milwaukee, having joined the agency on graduation from the University of Wisconsin in 1927.

would have earned \$377,000 more over the 20-year period. The largest single item of increased income which one man showed over the other was in the difference of more than 12 percent in the second year renewal rate. This alone gave him an income of nearly \$150,000 more than the man whose experience was not so favorable.

### What Figures Mean

"In practical terms, what do these figures mean?" asked Mr. Doolin. "Just this: Every year for 20 years, Fate, or whoever presides over the destinies of general agents, sent a bill which the less successful general agent paid in cash. Here is the way the bill was itemized:

"To careless selection, faulty training and ineffective supervision, resulting in high turnover and low production per man, \$86,125; to poor office efficiency, quarterly and monthly premiums, \$27,241; to small policies, \$56,753; to term and other low premium policies, \$59,060, and to failure to write good business and to conserve it, and other sins of omission and commission which cause lapses, \$147,897."

### Sullivan Trial Set Ahead

The trial of P. B. Sullivan which was scheduled for May 15 in Salem, Ill., has been set ahead until October. Sullivan, who was operating a mutual benefit concern, is charged with impersonating an employee of the Illinois insurance department and compromising claims against his concern. In days gone by he operated some fire insurance companies.

# RECENT COURT DECISIONS

## Fails to File Annuity Form

Oregon Supreme Court, However, Holds for Metropolitan Because of Ambiguity of Statutes

The Oregon supreme court has held that when no one has been injured and serious doubt exists as to whether the sections of the Oregon code requiring life insurance policy forms to be filed with the insurance commissioner apply to annuity forms, the court ought to be slow to declare void an annuitant contract issued and delivered before the form was filed with the commissioner. The case was Hall vs. Metropolitan Life.

In 1930, Karl Jacob paid the Metropolitan \$3,000 for an annuity. Jacob was to receive \$15.87 per month as long as he might live. Jacob died in 1931 and his executors sought to recover the difference between the \$3,000 paid by Jacob and the sum repaid by the Metropolitan as monthly instalments on the annuity.

The Metropolitan had not filed with the commissioner the particular form of contract entered into with Jacob.

The laws as to filing require that no life insurance policy shall be issued until the form has been filed with the commissioner. Another section requires policies of life insurance other than industrial, annuities and pure endowments to contain certain provisions which are there set forth. Another section provides that no policy of life insurance, other than industrial, annuities and pure endowments, shall be issued containing certain designated provisions.

The higher court pointed out that the insurance code designates penalties for violation of provision, but there is nothing in the act itself to indicate that the legislature intended that even in cases covered by section 46-509, failure to comply with the provisions of that section should render a policy void.

## Effect of Failure to Tell of Rejection by Another

The Arizona supreme court has held for the insurer under total disability policy in a case involving the effect of the assured's failure to state in his application that insurance on his life had been declined by another company. The case was Greber vs. Equitable Life of New York.

When Greber made claim for disability benefits, the Equitable Life notified him that inasmuch as answers made by him were untrue, the contract as to disability and double indemnity was rescinded and premiums paid under the disability and double indemnity provisions were tendered to him.

Although Greber did not inform the Equitable that the Missouri Insurance Company had declined to issue a policy to him, Greber contended that at the time the Equitable policies were issued the Equitable knew that the Missouri Insurance Company had rejected his application. If that were true, the court asserted the acceptance by the Equitable of premiums, knowing that facts existed which would authorize it to declare a forfeiture, constitutes a waiver.

Greber introduced a medical impairment history card, which was produced by the Equitable. However, the medical card gave the date of birth of one David Greber as Sept. 16, 1881, while the application date was Dec. 15, 1887. The court held this did not give knowledge of the previous rejection. It was not even constructive notice of that fact.

The court held that the uncontested clause applied only to the life insurance contract and not to disability and double indemnity.

## Substandard Policy Decision

Consultation with Doctor After Application and Before Delivery Does Not Invalidate Contract

Consultation with a doctor after application and before delivery of the policy on the part of a person who has been accepted on a sub-standard basis, does not invalidate the policy, according to the Illinois appellate court, first district, in Newman vs. New York Life. Neither does the fact that a premium note made payable to the agent is not paid at the time of the death of the assured, forfeit the policy.

The assured was rated up seven years, a trace of albumin having been found. At the time of the application the assured and her husband gave joint and several notes for the payment of the annual premium. After the policy had been rated up, they gave a new note, including the additional premium. The agent gave a receipt. The policy was delivered and the assured died within two months from an operation to remove a tumor.

The assured went to a doctor after her application had been made because she was suffering from headaches and dizziness. Because of her physical condition at the time she made application, she was not accepted as a regular standard risk and was rated up. Therefore, the company charged her an additional premium. The headaches may have been a natural incident or resulted from the physical condition for which the New York Life received the additional premium. There is no evidence tending to prove the contrary.

## Proof of Interest Clause For Company's Protection

The words in the policy: "Proof of interest and the extent thereof" constitute a clause that is intended only for the benefit and protection of the insurer and is not available to a conflicting claimant. This was the decision of the New Jersey court of errors and appeals in Travelers vs. Morris et al.

Richardson was the assured. Six days

after the policy was issued Richardson assigned it absolutely to Morris, who paid all the premiums. The administratrix claims Morris failed to set forth in his claim "proof of interest and the extent thereof." As a matter of fact, the court held Morris did adequately prove to the insurer the nature and extent of his interest under the assignment. Morris and Richardson were associated in business. Richardson had the experience and the actual management of the company while Morris had neither. Morris invested \$50,000 in the company and desired the insurance on Richardson's life as a protection to his investments and interest in the company.

## Agent's Letter to Lapsed Policyholder Not Waiver

The United States circuit court of appeals for the fifth circuit (Mississippi) has held that a letter, sent by an agent in response to a request for information from a policyholder who had lapsed, which mistakenly gives erroneous information about the status of the policy, did not have the effect of waiving the previous default in premium or lapse of the policy.

The case was Ross vs. New York Life. The policy was issued Dec. 11, 1928, the premiums being payable quarterly. The premium payable Dec. 11, 1929, was not paid, nor was any premium subsequently paid. The assured died Feb. 27, 1931. On Feb. 21, while he was sick, he wrote to the general agent of the New York Life asking the status of the premium payments and received a letter which stated: "As per your request, I am attaching notice of premium that will be due March 11." The notice stated payment of premium will be due March 11, provided the policy is then in force.

The court held that this letter from the agent and the notice attached are not enough to constitute a waiver. There was nothing that could be done in February, 1931, during the illness of the assured, which would have resulted in the reinstatement of the policy. The letter and notice were the results of a mistake. No waiver was intended and none was, in fact, made.

## Interesting Change of Beneficiary Case

An interesting case has been decided by the federal court for the district of Maryland, in which the change of beneficiary issue came up. The case is Aetna Life vs. Hartley et al. The policy was made payable to the estate and on Oct. 23, 1926, the beneficiary was named as Loretta W. Hartley, described as wife, and the policy continued until the death of Hartley. Hartley was legally married in 1888 to Lucy A. Hartley but was separated in 1906. He exhibited to a son what was purported to be a divorce decree. No record of the alleged divorce can be found in the court. On Sept. 27, 1926, Hartley and Loretta Wilson were married. They lived together until his death as man and wife. The two sons made efforts to have their father more adequately provide for their mother.

### Agreed to Give Paidup Policy

As a result a written agreement was signed by the father and mother. It contained a promise of Hartley to carry a life policy of \$5,000 for her benefit. He wrote to Lucy A., requesting that the policy be returned to him, saying he could no longer pay the premium but in lieu he would obtain a new paid up policy for \$5,000 or more and

send it to her. He surrendered the policy and obtained the cash value. He never performed his promise to substitute a paid up policy. After his death Mrs. Loretta Hartley found the certificate issued under a group policy and made demand on the Aetna Life for payment. Lucy A. also made demand for payment of \$5,000. The basis of the contention of Lucy A. is that by virtue of the agreement the policy in suit was impressed with a trust in her favor to the extent of \$5,000.

The higher court holds that there is no evidence to justify the finding that the policy was impressed with such a trust. It had been issued prior to the making of the agreement and had been made payable to Loretta. The assured had the legal right to name her as beneficiary, even though it had been found that the second marriage was invalid by reason of the non-existence legally of the alleged Ohio divorce. The court says there is no doubt but that Loretta was intended to be named as beneficiary and it is equally clear from the testimony that it was not the intention of Hartley to make Lucy A. beneficiary. The decree is that the balance of \$5,000 less expenses be allowed to Loretta.

## Loses Four Fingers, Gets Total Disability Benefits

A farmer, who lost four fingers on one hand, is held to be entitled to total disability benefits by the South Carolina supreme court in Marshall vs. Kansas City Life.

The Kansas City Life, among other things, contended that Marshall was not entitled to the benefits because of the language in the policy: "The complete loss of the sight of both eyes, or of both hands, or both feet, or one hand and one foot, shall be deemed total and permanent disability hereunder."

The court held the fact that the insured did not lose both hands or one hand and one foot did not preclude him from recovering under the policy, if the facts in the case, to be determined from the testimony, which was a jury question, show that he had by loss of one hand or in some other way become totally and permanently disabled, within the meaning of the provisions of the policy.

## Insanity and Total Disability

### Company Failed to Cite Untimeliness of Proof and Washington Supreme Court Holds for Assured

The usual theory that insanity of the assured does not invalidate the total disability requirement that proof of such disability be supplied prior to the lapsing of the policy for nonpayment of premium, is no longer valid when the company accepts proof of loss, conducts an investigation and then rejects the claim on the sole ground that the assured could not be considered as totally disabled prior to the lapsing of the policy. Not a word was said about the untimeliness of proof. This was the decision of the Washington supreme court in Reynolds, et al, vs. Travelers.

The premiums due Feb. 2, March 2 and April 2, 1925, were paid. It is conceded the policy lapsed June 5, 1925, unless premium payments were waived. Shortly after receiving the policy, the assured began to develop symptoms of insanity and before the expiration of the grace period for the April premium he became totally and hopelessly incapacitated. He died in September, 1927. In the spring of 1927, the wife for the first time learned of the existence of the policy when agents for the Travelers came to her home to inquire why the premiums had not been kept up. On being told the assured had been insane about two years, the agents suggested proof of disability should be made.

The supreme court held that the terms of the policy required that proof of permanent and total disability be supplied prior to the lapsing of the policy for nonpayment of premium. The insanity of the assured did not excuse the lack of timeliness in the submission of proof. However, every act of the Travelers or its agents is consistent only with the theory that the question of timeliness of proof had been waived. Pursuant to the suggestion of the agent, the wife took the matter up with the company's Seattle office and was told to file a claim. Forms of proof were supplied. The company rejected only on the ground that the assured could not be considered as totally disabled prior to the lapsing of the policy. Disability was therefore the primary fact on which recognition of the claim depended.

Had the wife been advised that the company was relying, or would rely, on the fact the policy had lapsed, she probably would never have begun a suit.

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